Austria ... Sch. 18	Indonesia .. Rp 2750	Portugal ... Esc 80
Bahrain .. Din 0.650	Italy .... L 1300	S. Arabia .. Rls 6.00
Belgium ... BFr 38	Japan Y550	Singapore . S$ 4.10
Canada .... C$2.00	Jordan .... Fils 500	Spain ...... Pta 110
Cyprus .... C£0.80	Kuwait .... Fls 500	Sri Lanka ... Rup 30
Denmark .. DKr 7.25	Lebanon .. £L 6.00	Sweden ... SKr 8.50
Egypt ..... E£1.60	Luxembourg . LFr 38	Switzerland SFr 2.20
Finland .. Fmk 8.00	Malaysia .. Rls 4.25	Taiwan .... NT $65
France ... FFr 8.00	Mexico ... Pes. 300	Tunisia .. Din 0.600
Germany . DM 2.20	Morocco ... Dh 6.00	Turkey ...... L 210
Greece ...... Dr 70	Netherlands .R 2.50	U.A.E. .... Dh 6.50
Hong Kong . HK$ 12	Norway ... Nkr. 6.00	U.S.A. $1.50
India .... Rup. 15	Philippines . Pes. 20	

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,614 Thursday May 2 1985 D 8523 B

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Greek political parties polish their image, Page 3

World news

Solidarity marchers clash with police

More than 2,000 young Solidarity supporters battled with police for an hour during May Day demonstrations in Gdansk. A demonstrator and a policeman were reported seriously hurt. Anti-Government demonstrations took place in other Polish towns including Warsaw.

Earlier, Solidarity leader Lech Walesa was escorted away by police when he tried to join the official Gdansk parade. Page 2

In Johannesburg, riot police used tear gas and dogs to disperse hundreds of black trade unionists chanting freedom songs after a May Day rally.

Polish visit off

Belgian Foreign Minister Leo Tindemans postponed planned visit to Poland after being told he could not meet members of the banned Solidarity trade union or the prime minister General Wojciech Jaruzelski.

Italy's star wars call

Italy's Prime Minister Bettino Craxi will tell President Ronald Reagan at the Bonn summit that Italy wants a substantial part in the development of the U.S. star wars programme. Page 2

UK defence plan

The British Government is seeking better value for money from defence contractors for the £9bn ($11.2bn) of work awarded this financial year. It intends to contract out some support services, such as catering and stores. Page 10

Britain reinforces

Britain is strengthening its front-line forces in West Germany by 3,200 as part of a drive to switch men from support roles to fighting units, the Defence Ministry said.

Problems on shuttle

Astronauts aboard the U.S. space shuttle were plagued by defective lasers, blown fuses, faulty plumbing and crumbling rat food on the second day of their mission.

Bomb kills two

A car bomb blast in Brussels killed two firemen and injured 13 other people. The Fighting Communist Cells said it set off the explosion outside the Belgian Employers' Federation headquarters.

Indian strike

Thousands of government employees in west Indian state of Gujarat started an indefinite strike in protest against alleged police brutality in dealing with demonstrations over jobs and caste, in which at least 73 people have died.

American's conquest

Richard Bass, a 55-year-old American, became the oldest person to conquer 8,848-metre Mount Everest. He also became the first person to reach the highest points on the world's seven continents.

SA by-election test

South Africa's governing National Party awaited results of two by-elections which will give first indications of the white backlash against the Government's economic policies and political reform. Page 4

Sweden strike move

The Swedish Government called in independent mediators to try to avert a strike by public employees due to start tomorrow in support of a pay claim. Page 3

Greenpeace action

Activists from the Greenpeace environmental group prevented a ship from dumping chemical waste in the North Sea for the second day running.

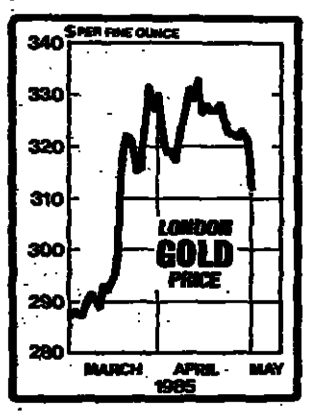
Business summary

BAe share issue to raise £550m

BRITISH AEROSPACE shares will be priced at 375p a share in the £550m ($677m) offer for sale which is the largest London share issue since the flotation of British Telecom. Page 26; Details, Page 32

DOLLAR was firmer in London, rising to DM 3.1475 (DM 3.0975), FFr 9.59 (FFr 9.44), SwFr 2.6375 (SwFr 2.5975) and Y252.75 (Y251.5). On Bank of England figures the dollar's exchange index rose to 148.0 from 146.7. Page 49

STERLING lost 1.9 cents against the dollar in London to close at $1.2235. It also declined to DM 3.85 (DM 3.8525), FFr 11.71 (FFr 11.715) and Y309.0 (Y312.75). It was unchanged at SwFr 3.23. The pound's exchange rate fell 0.4 to 77.7. Page 49



GOLD fell $9.25 on the London bullion market to $311.75 an ounce. The market in Zurich was closed for the May Day holiday. Page 48

WALL STREET: At 3pm the Dow Jones industrial average was 8.06 lower at 1,250.00. Section III

LONDON shares received a boost from CBI survey on output and employment. The FT Ordinary share index ended 7 up at 978.4. Section III

TOKYO stocks were moderately higher but activity was slow. The Nikkei-Dow market average added 30.36 to 12,456.65. Section III

AMSTERDAM shares advanced, taking the ANP-CBS General index up 0.5 to match its all-time record of 211.0, set on April 26. Section III

JAPAN'S Finance Ministry has attempted to reassure the Bank of England about its supervision of the four main Japanese securities houses, which are seeking UK banking licences. Page 28

BRAZIL'S Government announced a 6 per cent real increase in the minimum wage, the first time for two years that lowest paid have received rises in excess of inflation. Strikes cause chaos, Page 5

NEWS CORPORATION, owned by Australian Mr Rupert Murdoch, is to build a $49m international media centre in Peking in a joint venture with the Chinese Government.

AMERICAN CAN, U.S. packaging company with interests in financial services and speciality retailing, lifted earnings in the first quarter to $35.4m with improvement in all its divisions. Page 27

PALITOY, a subsidiary of General Mills of the U.S., is pulling out of toy manufacture in the UK. Page 11

SMH, West German bank caught up in the collapse of the IBH building plant group, increased its balance sheet total from DM 891m ($288m) to DM 1.29bn in the first year after its purchase by Lloyds Bank of the UK. Page 29

GENERAL FOODS, U.S. foods group, said earnings for its last full year were $324.9m, up from $317.1m, but warned of a moderate downturn in the current first quarter. Page 27

HOLIDAY INNS, the U.S.-based group, has launched a £160m ($199m) expansion in the UK which will entail at least 26 new hotels. It has similar plans for continental Europe. Page 11

BOSPHORUS BRIDGE CREDITS 'FOOLISH AND UNNECESSARY'

UK warns Japan subsidies may fuel protectionism

BY KEVIN BROWN IN LONDON

MR NORMAN TEBBIT, Britain's Trade and Industry secretary, yesterday sternly rebuked the Japanese Government over the level of financial support offered to a successful Japanese bid for a $550m Turkish contract to build a second bridge across the Bosphorus.

Mr Tebbit said in the House of Commons that the credits and subsidies offered by Japan were foolish, unnecesary and incompatible with Tokyo's undertaking to reduce its trade surplus. He warned that unless action was taken soon to open Japanese markets and end unfair trading practices "protectionist forces will become impossible to resist."

The contract was won by a consortium led by Sezai Turkes-Feyzi Akkaya Insaat of Istanbul, and including Mitsubishi Industries and Nippon Kokkan of Japan and Impreglio of Italy.

It beat a consortium led by Enka-Insaat of Istanbul and which included Bechtel Engineering of the U.S. and Cleveland Bridge, a subsidiary of Britain's Trafalgar House, which built the first Bosphorus bridge 12 years ago. The margin between the bids was $125m.

Turkey has already received $146m in credits from Saudia Arabia and Kuwait. The consortia were expected to find the rest. The Japanese credit terms are understood to have included the equivalent of $200m in yen aid credits at 5 per cent a year over 25 years.

Tokyo moved to fend off likely criticism at the Bonn summit as Mr Keijiro Murata, Trade Minister, assured Herr Martin Bangemann, West German Economics Minister, that major Japanese companies were ready to step up purchases from abroad. Page 2

Mr Tebbit, who recently visited Japan for talks with ministers and industrialists, said the British bid for the contract to build the bridge itself was highly competitive including the aid package put forward by the UK Government.

But this was not true of the overall bid, which included associated roadworks and depended on aid offered by other governments to Trafalgar's foreign partners.

"It was a case where British government aid to the company was on the same level as the Japanese but unfortunately, the countries which were associated with us were not so smart as the Japanese," he said.

He added: "The action of the Japanese Government in offering cheap credit and subsidy to the extent they have is foolish indeed." Mr Tebbit said it was "entirely incompatible with the programme they have announced for reducing their trade surplus."

Mr Tebbit said the Japanese Government did not appear to have broken such rules as there were covering government support for international contracts. He made clear, however, that the Japanese Government would quickly be made aware of British dismay over the incident.

Japan had introduced a number of measures intended to liberalise its internal markets, including action on non-tariff barriers where exporters could show they existed. There was also "some agreement" on liberalising financial markets though not as fast as the British Government would like.

Mr Tebbit urged Japan to go further, by placing orders for major capital purchases overseas which would encourage private consumers to buy imported goods and by internationalising the yen, so that its value more accurately reflected Japan's economic strength.

Japan reassures UK over securities houses, Page 28

Swiss move to make insider trading illegal

BY WILLIAM DULLFORCE IN GENEVA

THE SWISS Federal Council yesterday published its long, awaited bill making insider trading on stock exchanges a criminal offence.

The bill provides for prison sentences of up to three years and in some circumstances unlimited fines for people found guilty of using confidential information obtained in their capacities as officers of a company to trade shares to their own benefit.

It contains two changes from the original draft sent for comment to cantonal authorities, political parties and organisations directly touched by it.

The law widens the scope of the original draft to allow the indictment of third persons who exploit to their advantage on stock markets information obtained from an insider.

It drops, however, the proposed amendments to the civil law, which would have compelled company boards and managements to disclose insider deals themselves. They also provided for the release of profits from insider trading to the company concerned.

The Swiss Bankers' Association was among those who objected to these changes to the civil law. The Bill submitted to parliament is confined to amendments to the penal code.

The absence of Swiss legislation on insider trading has been one of the prime causes of legal disputes between Switzerland and the U.S. The Securities and Exchange Commission (SEC) in Washington has on several occasions voiced frustration at the difficulties of obtaining from Swiss banks the information it sought to prosecute cases in the U.S.

Among cases that led to tension between the two countries was that of Santa Fe International, in which the SEC alleged that shares and call options to Santa Fe stock were bought through Swiss banks just

Continued on Page 26

Markets, Section 111

U.S. deficit package wins close vote but faces uphill struggle

BY STEWART FLEMING IN WASHINGTON

THE U.S. Senate has voted by 50–49 to approve a budget deficit reduction package backed by both President Ronald Reagan and the Senate Republican leadership.

But the victory, late on Tuesday, provides Mr Reagan with something less than the ringing endorsement of his budget strategy which he was hoping for in the Republican-controlled Senate.

Indeed, Senate Republican leaders moved yesterday to remove from the package politically contentious cuts in pension benefits for 36m retired Americans, only hours after voting to let them rise by less than the rate of inflation. Their initiative opened what promises to be a tense debate on the package, which the White House estimates would reduce the federal budget deficit by $300bn over the three years to 1988.

The Republican leadership has clearly been robbed of the momentum it had hoped to establish by the passage of the plan. It took Sen Robert Dole, the majority leader, nearly a week to secure the paper-thin margin of victory and he had to make important concessions to win over a handful of sceptical members of his own party.

The cliffhanger in the Senate also amounts to a rebuff for President Reagan, who last week made a nationally televised appeal for support on the budget proposal.

Over the next few days in the Senate both Republicans and Democrats are expected to offer a wide range of amendments to the White House budget plan, seeking either to restore funding for some of the 17 government-financed programmes which the proposals would eliminate or in other ways diminish the pain to their constituents were the budget savings to be enacted.

Some senators are already planning to propose measures to increase taxation or freeze defence spending in order to achieve the cuts in the deficit which they feel are necessary, even though President Reagan is bitterly opposed to any such steps.

But as with yesterday's move on social security, some of the amendments will be presented as much to prevent the Democratic party from claiming the political kudos for resisting unpopular spending cuts as to alter the shape of the final budget resolution. That the final Senate resolution will look substantially different from the one which was passed on Tuesday night is not in doubt, the question is only how different and how the White House will respond.

Meanwhile in the Democrat-controlled House of Representatives work has yet to begin on preparing a budget resolution, partly because House Democrats have been waiting for Senate Republicans to provide them with a target to shoot at.

Now, however, that political ploy has been overtaken by the bitter strife between Republicans and Democrats in the House over the seating of a Democrat rather than a Republican for an Indiana district. The seat has been awarded to a Democrat, Mr Frank McCloskey,

Continued on Page 26

Lloyds can treat new Euro FRN as primary capital

By David Lascelles in London

LLOYDS BANK broke new ground in the capital markets yesterday with a $600m floating rate note issue which the Bank of England will, for the first time, treat as primary capital.

The issue was widely expected last night to serve as a model for fund-raising by other UK banks, which have been examining ways of meeting the new capital guidelines proposed by Britain's central bank last November.

Lloyds shares gained sharply on the London Stock Exchange because the issue appeared to remove any chance of an early rights issue by the bank. The stock closed at 560p, up 12p after a high of 565p. The issue itself was well received by investors, and was increased in size from $400m.

The issue consists of undated, or perpetual, notes carrying a floating rate of interest, set at 0.25 point over the offered rate for six-month Eurodollars on the London interbank market. But it has been designed with many of the features of equity to fit the definition of primary capital now being used by the Bank of England as a key measure of bank strength.

Primary capital consists of resources that are available to meet a bank's losses, and the Bank has been pressing banks to build it up.

These features are that:

- It never has to be repaid, except in case of liquidation.
- Interest payments can be suspended if Lloyds has not paid a dividend in the previous six months.
- It be available to absorb losses.

In the unlikely event that Lloyds exhausts its reserves, holders of the new notes will be deemed to be preference shareholders ranking behind everyone for repayment except the ordinary shareholders, which means they could lose their investment. This marks the issue out from perpetual issues made last year by Barclays and National Westminster which failed to qualify because there was no provision for treating them as equity if the banks got into trouble, though investors were also at risk.

The Bank of England's acceptance of the Lloyds issue was thought yesterday to mark a retreat from its earlier insistence that perpetuals must be convertible into pure equity to qualify as primary capital. This condition was widely criticised as liable to make bank stocks virtually unsaleable. The view of the bank, though, is that the

Continued on Page 26

Lex, Page 26; Report, Page 50

Reagan places total trade ban on Nicaragua

BY REGINALD DALE, U.S. EDITOR IN BONN

PRESIDENT Ronald Reagan yesterday launched his ten-day trip to Western Europe with the announcement of tough economic sanctions against Nicaragua, casting a further cloud over the seven-nation economic summit that opens in Bonn here tonigth.

Citing an "urgent threat" to U.S. security, Mr Reagan invoked emergency legislation to prohibit all trade with Nicaragua and ban the country's ships and aircraft from entering the U.S.

The White House described the move as "a unilateral action by the U.S. Government" and said that Mr Reagan would not be asking his summit partners to follow suit. The U.S. did not see the issue as a major item for the summit agenda, but Mr Reagan would explain the seriousness of the Nicaraguan threat to the other leaders in bilateral meetings, the White House said.

The eve-of-summit announcement – on German soil – nevertheless seemed likely to cause misgivings among European governments

The summit, at which the U.S. will be pressing the Europeans to agree on an early date for the opening of a new round of international trade talks, and expand their economies, has already been heavily overshadowed by the uproar over Mr Reagan's plans to visit a German war cemetery on Sunday.

Mr Larry Speakes, the White House spokesman, said that Mr Reagan's action was in response to the "emergency situation created by the Nicaraguan Government's aggressive activities in Central America." These included "Nicaragua's continuing efforts to subvert its neighbours, its rapid and destabilising military build-up, its close military and security ties to Cuba and the Soviet Union, and its imposition of Communist totalitarian internal rule."

Further recent indications of "this disturbing trend" Mr Speakes, said, included:

- New Soviet-Nicaraguan ties agreed during the current visit to Moscow by Sr Daniel Ortega, the Nicaraguan President.
- The apprehension in Honduras of seven Nicaraguan agents who admitted that they intended to assist Honduran insurgents.
- New deliveries of East bloc military equipment to Nicaragua, including Soviet combat helicopters.
- The rejection by the Sandinista leaders of a dialogue with the anti-government contra rebels.

Mr Reagan called on the Sandinistas to stop exporting terrorism and insurrection, end their "extensive military realtions" with Cuba and the Soviet Union, stop their massive arms build-up and respect "democratic pluralism and observance of full political and human rights."

U.S. sanctions came as no surprise in Managua. Since 1981, when the U.S. began to apply economic pressure on Nicaragua, the Sandinistas have lessened their heavy dependence on the U.S. market. Nevertheless the sanctions will bite, especially as industrial plant is largely of U.S. manufacture and access to spare parts may prove difficult. Page 5

Yesterday's action came one week after the House of Representatives rejected all further aid plans for the contras, in a stinging foreign policy rebuff for Mr Reagan. While the sanctions do not require Congressional approval, Mr Speakes said that the initial reaction of Congressional leaders consulted on Tueday had been "basically good."

Many Democrats on Capitol Hill, while unwilling to support aid to the contras have been keen to show their disapproval of the Sandinistas by backing non-military action against Nicaragua.

U.S. officials made it clear that Mr Reagan's move was intended for political as much as economic effect, and at least partly intended to reassure U.S. allies in Central America that Washington would keep up its pressure on Managua.

Nicaraguan exports to the U.S. – primarily bananas, beef, shellfish, coffee, sugar and tobacco – have been declining rapidly for the last four years and amounted to $57m in 1984. The U.S., however, remained Nicaragua's major trading partner, with exports to Nicaragua of $111m. The most important U.S. exports were tallow, and edible oil, and machinery including tractors, the White House said.

Mr Speakes said that the U.S. had decided not to break diplomatic relations with Managua because Washington still hoped for a negotiated solution. For the moment, however, a resumption of bilateral negotiations with Managua would be "out of place."

He made it clear that one of Mr Reagan's main objectives was to force the Government into negotiations with the rebels.

Asked whether the latest moves might not push Managua further into Moscow's grip, Mr Speakes said that it was difficult to see how Nicaragua could be driven any closer into the arms of the Soviet Union.

Squeeze tightens, Page 5; Bonn summit, Page 22; Boost for Britain, Page 25

CONTENTS

Thousands march in Warsaw to show Solidarity support

BY CHRISTOPHER BOBINSKI IN WARSAW

THOUSANDS OF people in Warsaw demonstrated their support for Solidarity yesterday, but the banned union's call for marches was little heeded elsewhere in the country and May Day was dominated by well-attended official parades.

In Gdansk, Mr Lech Walensa, the Solidarity leader, was stopped by police from joining in the official march as he did last year, and several hundred of his supporters who did manage to do so were roughly ejected by stewards.

The demonstration in Warsaw, reaching 10,000 at times and lasting two hours, started after a church service at the grave of Jerzy Popieluszko, the murdered pro-Solidarity priest, where prayers were said for the union. There was also mention of a strike on Tuesday by 700 women at the Stella works in Zyrardow outside the capital in support of a pay claim to counter the effects of recent price increases.

In central Warsaw, General Wojciech Jaruzelski, the country's leader, addressed an official parade which lasted several hours. "The time of unrest, anarchy and disruption is over," he said.

The Solidarity march was too far away from the official one for there to be any contact, but the boom of a 24-gun salute ordered by the general to mark May Day could be heard at the church service.

The police cordoned off the demonstration and, after hurried consultations with its leaders, allowed it to disperse peacefully. Later, Mr Seweryn Jaworski the recently amnested Warsaw regional leader, was detained near the Warsaw steelworks where another march had been planned but failed to get under way for lack of support.

French May Day turn-out reflects low union morale

BY DAVID HOUSEGO IN PARIS

THE LOW morale of France's unions, and the divisions within their ranks were revealed yesterday by the rival marches they staged for May Day and the relatively low turn-out they attracted.

The Communist-led CGT, still the largest union in the country and the most disciplined, gathered several thousand people at the Place de la Bastille under a banner proclaiming "Rigour," Austerity, enough." M Henri Krasucki, its secretary general, had set the tone at the weekend with a strong attack on government policies and, in particular, a warning to Renault against cutting its workforce in France.

However, there has been more noise than firepower of late in the CGT armoury, with calls to strike finding little echo among the rank and file.

The centrist Force Ouvriere—almost the only union to have recently increased membership and which represents blue-collar workers—assembled about 1,000 in Paris. M Andre Bergeron, its leader, also called on the Government to relax its restrictive policies and to provide more stimulus to the economy. France had reached the 3m unemployment mark, he claimed in an interview, adding that Hitler had come to power in West Germany through an economic crisis.

Since the Left came to power in 1981 there has only been one May Day when the unions managed to organise a joint march. That was in 1983 when the austerity programme provided a focus for unity.

Symbolically, an unemployed worker in Dijon yesterday decided to boycott the marches organised by the unions and to demonstrate alone. Sporting the traditional sprig of lilies of the valley, he proclaimed his distrust of the union movement while admitting that he had gone through 112 employers.

Both of the two main Left-wing unions—the CGT and the pro-Socialist CFDT—have lost membership since 1981. The CGT is down to about 1.6m on its own figures from about 2.3m in the late 1970s. The CFDT has declined marginally to 880,000, falling to third place behind Force Ouvriere.

Spain lifts curb on foreign investors

By David White in Madrid

MOST FOREIGN investments in Spain will be freed from prior authorisation requirements under a decree-law covering a range of measures to liberalise the economy and stimulate consumption and job creation.

The change in foreign investment rules, which anticipates Spain's admission to the EEC next year, goes further than the proposal announced two weeks ago to a congressional committee by Sr Miguel Boyer, the Finance and Economy Minister.

Sr Boyer had proposed raising to Pta 500m (£2.3m) the limit of Pta 25m (£116,000) on the equity purchases foreign companies can make without seeking authorisation, and allowing free property investment up to Pta 100m.

However, the decree-law will remove the ceiling entirely and require foreign companies only to inform the authorities of their plans, except in certain specified sectors—such as refining industries—where investments will still be subject to approval.

Other elements in the package designed to prod Spanish companies to invest and create jobs have also been reinforced. The changes follow discouraging first quarter indicators, with exports stagnant and prospects for a spurt in home consumption overshadowed by higher inflation.

The measures include cuts in deductions from wages, a temporary stimulation due to be followed up by a cut in actual tax rates.

Other changes are a lifting of limits of depreciation for companies embarking on new investment projects, an end to restrictions on commercial opening and closing hours, tax incentives for companies taking on staff, benefits for workers investing in their own companies, freedom to transform homes into workplaces, easier company formation, and indirect incentives for the hard-pressed building industry.

A separate job-creation plan involves a cut in the social security contributions paid by companies which take on young people. This measure has been extended to cover people up to the age of 26 and to include unemployed people over 45.

EYES ON THE SUMMIT. President Reagan and his wife look up as a West German air force jet flies past in welcome on their arrival in Bonn.

Italy's aim in Star Wars

BY JAMES BUXTON IN ROME

ITALY WANTS a substantial part in the development of the U.S. Strategic Defence Initiative project. Sig Bettino Craxi, the Prime Minister, will tell President Ronald Reagan as much at the summit.

He also made clear at a news conference that Italy viewed the French "Eureka" plan for a European research programme as something that would run parallel with the so-called Star Wars project, rather than as an alternative.

It was essential that Italy did not miss out on the technical advances the Star Wars programme would entail, he said. It wanted a "non-marginal" part. "We aren't asking to know all the architecture of the system of space defence which could spring from the research, but we want a full part in the technological discoveries of the project. We do not intend to participate just to make screws and carpets for some space ship," Sig Craxi said.

He also said that the Star Wars research programme would have to respect the existing anti-ballistic missiles treaty between the U.S. and the Soviet Union. Italy viewed the "Eureka" idea with favour but was concerned at not being left out of the U.S. programme.

Peter Bruce watches the capital invaded

Bonn's calm shatters as the summit show comes to town

THE JOKES about Bonn being a boring Rhineland backwater that just happens to be the capital of West Germany are by now mouldy with age. People don't laugh at them any more. Many diplomats and journalists posted here still regard Bonn as a hardship post. Some leave their families behind. With a population of under 300,000, the West German capital hardly bothers to present itself as the equal of Rome, Paris or London.

For the next few days, however, all that will change. Not only are the leaders of the West's seven main economic powers coming to stay, but the storm surrounding President Ronald Reagan's planned visit to the war cemetery at Bitburg has drawn to Bonn a host of newspaper, radio and television journalists with absolutely no interest in the strength of the dollar or Japan's trade surpluses.

Bonn has, in fact, arrived—at least for a while. The row is happening here. The small town in Germany, whose life as a post-war capital was supposed to be so short that many embassies and government buildings were built to be put to other uses ("concrete tents" John Le Carre called them) is where the President of the United States is.

Just to emphasise the point, the West Germans have drafted 10,000 extra police and security officials into town. The area round Parliament and the Chancellery, bordered on one side by the Rhine, has been declared virtually off-limits for the town's bemused citizens. "You can forget about parking here," said one senior policeman, whose men are stationed roughly every 10 metres or so around the area. Fears of a terrorist attack, heightened by the bombing in Brussels, were more or less confirmed yesterday when a 6 kg time-bomb was defused in Bad Godesberg, Bonn's diplomatic quarter.

"I've just got a nasty feeling," said the policeman. "We can't be everywhere."

Not for want of trying.

BONN 1985

Police helicopters clatter over the area every now and again. Grim-faced mounted policemen, dogs and their handlers lope about. The town's drains have been checked and rechecked by experts and even the small underground transit system, has come under police control. Stops close to the government area can be sealed off without warning.

Given that these economic summits (this is the 11th) are as much, if not more, about the media and photo-opportunities, where the government leaders are supposed to engage in what looks like easy statesman-like banter before the cameras, journalists and cameramen are beginning to crowd even the policemen off the streets.

Some 3,000 "media personel" have flocked here. In an inspired move the authorities have boarded most of them in hired boats on the river, which is flowing conveniently strongly and looking dangerously high. Just to make sure, however, that the journalists are kept in state of some turbulence (in the hope that all they are capable of doing is reading and rewriting official press releases), the good people of Bonn have also been persuaded to distribute free beer to anyone flashing an accreditation card.

The hotels are full to bursting. Mr Reagan's delegation, excluding the dreaded White House Press corps, is alone about 400 strong. But when the leaders have gone, and the flags come down, Bonn will no doubt quickly revert to type. In fact, the hotel now playing host to the Americans is due to close later this month for lack of custom.

Japan promises again to remove obstacles to imports

BY RUPERT CORNWELL IN BONN

JAPAN HAS moved to fend off likely criticism at the seven-nation economic summit which starts here today by once more promising to strengthen domestic demand and removing obstacles to imports.

Mr Keijiro Murata, Tokyo's Trade Minister, yesterday assured Herr Martin Bangemann, the West German Economics Minister, that major Japanese companies were now ready to step up purchases from abroad. His remarks amplified those made by Mr Yasuhiro Nakasone, who yesterday told Chancellor Helmut Kohl that the Japanese economy "will become more open than it used to be."

Herr Bangemann specifically demanded that Tokyo allow greater access to high technology products from the EEC, such as space equipment and the European Airbus.

This renewed profession of readiness to liberalise imports will be reiterated by Mr Nakasone during the two days of discussions with leaders from the U.S., Britain, West Germany, France, Italy and Canada.

Japan's huge trade surpluses have caused mounting outrage above all in the U.S., where pressures in Congress for retaliatory action to bring down Washington's deficit from its 1984 level of \$34bn are intense.

For its part, Tokyo has been scared enough by the prospect of a protectionist backlash by the U.S. and other of its main Western trading partners for Mr Nakasone recently to announce a three-year action programme to increase imports, and even to appear on Japanese television to exhort his countrymen to buy more foreign goods.

Chancellor Helmut Kohl and the Japanese Premier yesterday issued a joint declaration denouncing protectionism and pressing for as early a start as possible to a new Gatt liberalisation round—an issue which will be a key topic at the summit.

Both West Germany and Japan, the two main surplus nations involved in the Bonn talks, made clear however that they will not bow to pressure, expected from the Americans, to indulge in pump-priming measures at home to boost demand artificially.

Herr Bangemann said that West Germany would do more to encourage free enterprise and create more flexible market conditions, as its contribution to sustaining world economic recovery. But like Chancellor Kohl on Tuesday, he insisted that Bonn would not be bullied into acting as a "locomotive," despite its massive trade and current account surpluses, low inflation and high unemployment.

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Sweden calls in strike mediators

By David Brown in Stockholm

SWEDEN'S Social Democratic administration yesterday appointed a government mediating commission in a last-ditch attempt to avert a strike by 20,000 key white collar state employees today. The dispute could expand into a broader public sector conflict and threatens to disrupt the economy seriously.

If it goes ahead, the strike will immediately halt all domestic and international air traffic. It will freeze both railway cargo and customs clearance, and will take out a number of policemen and teachers.

The stakes have been raised by a threat by the employers to lock out 100,000 more public employees, and a decision by the 205,000-member local community workers union to prepare (but not yet submit) the necessary two-week notice of their intent to strike unless their own demands are met.

At issue is the state white collar union's claim that its members' wages fell 3.1 per cent behind those of industrial workers last year, and its demand for immediate compensation based on a controversial renegotiation clause in its existing pay accord.

The Government fears this will set off another round of leap-frogging pay claims. Facing a tough general election battle this autumn, it is desperately trying to hold the line on nominal wage rises in both the public and private sectors in the hope of rescuing its tottering anti-inflation programme.

Statistics Sweden has already dismissed the government's 3 per cent inflation target by the end of the year as "virtually unattainable," based on first quarter figures, despite the relatively low pay rises already agreed by the private sector unions.

Greek parties polish their image for a run-up to the polls

Andriana Ierodiaconou in Athens looks at preparations by the country's two main political parties for national elections on June 2—the first real test of Greece's Socialist experiment

ON JUNE 2, more than 7.5m Greeks will go to the polls to elect a new government. Their votes, which are compulsory, will show whether Greece's first experiment in Socialist rule has been a success or a failure.

Predictions of how the voting will go are hazardous given the lack of reliable public opinion polls. Most observers, however, expect a close race between Dr Andreas Papandreou's Panhellenic Socialist Movement (Pasok) and the conservative New Democracy Party led by Mr Constantine Mitsotakis.

Pasok swept general elections in 1981 with a runaway 48 per cent majority against just 36 per cent for the conservatives. The 1984 European elections, however, were fought in Greece with all the intensity of a national contest and showed that the gap had narrowed from about 12 per cent to about 3.5 per cent in the interval. The votes were distributed with: 41.58 per cent to Pasok; 38.05 per cent to New Democracy Party; 11.64 per cent to the Communist Party of Greece; 3.42 per cent to the Eurocommunist Party; and 2.29 per cent to EPEN, the far-right party.

This time Pasok will have to fight hard if it is to secure a second term. The way in which Pasok and New Democracy are structuring their campaigns is an interesting window into the differences in ideology and style between the two parties.

The mood at the Conservative campaign headquarters, a sleek glass tower block in central Athens, is upbeat. The choice of premises reflects a conscious bid to update New Democracy's image, and its method of waging election battles. In 1981, the conservatives relied on traditional "rousfeti" politics—a Greek word deriving from the Turkish for "bribe," which has been used since Ottoman days to suggest patronage and nepotism all in one. As a result they suffered a merciless defeat before Pasok's dynamic, modern grassroots organisation.

New Democracy is now sitting down to plan a coherent campaign strategy with the help of a New York-based firm of consultants.

"We are trying to shed our paternalistic image. We also believe that these elections will be won on issues, not emotions," said Mr Stephanos Manos, a former cabinet minister and chief co-ordinator of the conservatives' 1985 campaign.

The campaign plan is for Mr Mitsotakis to harp on the Government's last-minute dumping of former conservative President Constantine Karamanlis last March in favour of their own candidate for head of state, in a bid to create a "credibility issue" against the Socialists. The Conservative leader will also hit hard on economic issues such as unemployment and high prices. These are judged to be the Government's Achilles' heel, as opposed to foreign policy, where Dr Papandreou's neutralist brand of nationalism has, by New Democracy's own admission, swept the voter market.

So far, Mr Mitsotakis has unvelled his party's programme for the economy and agriculture. He has also produced a number of aces in the form of one-off pledges on emotive issues such as reducing income tax; limiting army service to 18 months instead of more than two years; and abolishing import duties on the Greek family's most-coveted buy, the private car.

In each case Mr Mitsotakis has provoked the Government into lengthy, defensive statements of rebuttal, relayed on state television news bulletins which have long since crashed through the average Greek's boredom threshold with the nightly litany of Government achievements.

"We either have to make Mr Mitsotakis's promises look ridiculous or get drawn into limitless handouts," said Mr Dimitris Rokos, a member of Pasok's executive committee who is on the campaign planning team. He says Pasok will have its own detailed policy programme for the next four-year term ready for presentation soon after Parliament recesses for the elections on May 7.

The Socialists have sought to turn New Democracy's American consultant connections into a weapon against Mr Mitsotakis, with scathing statements at every turn about the conservatives' reliance on "the Americans." Unsophisticated though this may seem to the West European mind, it is in fact a potent strategy in post-dictatorship Greece where the word "American" still carries considerable pejorative connotations.

Pasok, by contrast, stresses its made-in-Greece campaign—put together, according to Mr Rokos, by Dr Papandreou, party officials and selected ministers and deputies. Its aim is to reinforce the party's effective image as the prime Greek political force representing freedom from foreign interference, another sensitive and emotive issue given Greece's political history as an undeveloped Western "client state."

Left- and right-wing divisions remain strong in Greece, however, despite Pasok's initial positive recognition of the wartime anti-Nazi communist resistance.

"My son is a doctor. He's just coming up for an appointment. If the others win the elections he'll never get it, just like before under the right. If you were left-wing you were an underdog," one middle-aged woman said as she stood watching Dr Papandreou's first pre-election speech on the island of Crete last weekend. "Rousfeti" could be what Greek politics is still all about.

EEC farm price argument remains stuck in the mud

BY IVO DAWNAY IN BRUSSELS

EEC FARM Ministers wearily return to the negotiating table in Luxembourg today for their fourth attempt to reach a deal on prices for 1985-86. All the evidence suggests they will be no more successful than before.

Since talks broke down last week over the crucial issue of cereals price cuts, there has been no perceptible movement from any of the principal combatants. Sig Filippo Pandolfi, the Italian Minister responsible for chairing the meeting, has conducted yet another round of bilateral discussions.

But Herr Ignaz Kiechle, the West German Agriculture Minister, has insisted once again during an exchange in Bonn on Monday that he would oppose, and possibly veto, any attempt to force through the Commission's 3.6 per cent price cut proposal for grains.

Furthermore, the Commission's position is expected to harden. A compromise paper last week offered almost all member states concessions in return for an elaborate reworking of the cereals rules which hold out a small hope for the West Germans that the price cut would be reduced.

Though this was officially an Italian presidency paper, it was well known to have been drawn up in close co-operation with the Commission. Consequently, there has been considerable unrest in Brussels that Mr Frans Andriessen, the Farm Commissioner, may have offered too much in his bid to achieve an always dubious breakthrough.

Last Monday, a senior group of Commissioners, including M Jacques Delors, the president, and several hawks on farm price restraint, met Mr Andriessen behind closed doors to insist that he return to the tougher proposals originally put in January.

Mr Andriessen has now been told that his Commission colleagues will only allow him marginal flexibility in the talks beginning today. Any substantially more expensive package will require the endorsement, at the very least, of M Delors himself.

In these circumstances, the unofficial discussion document being prepared by Sig Pandolfi to form the basis for the new talks appears doomed to failure. The proposals look set to include all the items diluting the original Commission package, plus a reduction in the price cuts for cereals from the 3.6 per cent cut proposed, perhaps to something around 2 per cent.

This, however, is certain to be opposed by the West Germans as still too tough and by the British — the strongest advocates of grains price restraints — as too weak.

As demonstrators summoned by the farm unions mill about outside Luxembourg's European Centre, the Ministers will then have to decide what to do next. One option, not ruled out by the Commission, is that the issue may be forced to a vote, thereby calling Herr Kiechle's bluff.

But this is believed to be a last resort which Sig Pandolfi would be reluctant to take. If the West Germans did use the veto, it would precipitate a far reaching crisis that would clearly embarrass Bonn while also forcing other member states to declare where they stand on the highly controversial veto issue.

A second course of action, believed to be gaining momentum among several countries, would be to propose a freeze on last year's arrangements. This would maintain cereals prices at their current levels but forbid the proposed 1.5 per cent rise in milk prices, offered by the Commission as a sop to compensate farmers for the punitive "superlevy" curtailing excess production.

Although superficially attractive, this move is also likely to be opposed by countries with urgent items on their shopping lists. The Commission would also oppose on the grounds that it weakens the rules enforcing grains price cuts. The unanimity required in the absence of a Commission recommendation would probably not be forthcoming.

That leaves Sig Pandolfi with the only remaining, and extremely unattractive option—to drag through the agenda once again seeking the broad outlines of an agreement on all except the cereals issue. Few countries, however, will be prepared to put their hands clearly on the table while West Germany stands firm.

Yesterday, the greatest hope most exhausted participants had for the new negotiating round was that it would break down before the weekend begins.

PORTUGAL'S Prime Minister, Sr Mario Soares, has told union leaders that his Government is ready to thrash out a social contract with workers and employers to ensure harmonious labour relations during a modernisation drive after the country joins the EEC, writes Peter Wise in Lisbon. A social contract is a key demand of the UGT Socialist union federation on which Sr Soares will count for important support in December's presidential elections.

He said the Government was also prepared to negotiate clause-by-clause controversial proposals to revise rigid labour laws over which the UGT has threatened a general strike. The UGT yesterday strengthened its hold over Portugal's largest union when it defeated the Communist CGTP-Intersindical federation in elections in the 42,000-strong southern bank workers' union. Intersindical had been fighting to win back the powerful bank union since the latter became a founding member of UGT in 1976.

Car output down 3.5% last year

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

CAR PRODUCTION in Western Europe last year fell by 3.5 per cent, from 10.6m in 1983 to 10.23m.

The drop was greater than that for car sales—down 2.8 per cent—and came at a time when the European industry was already suffering from considerable over-capacity.

However, Western Europe remained ahead of the U.S. and Japan in car output. Production in the U.S. rebounded by 14.64 per cent, from 6.78m in 1983 to 7.77m last year, while Japanese output slipped by 1.1 per cent, from 7.15m to 7.07m.

Volkswagen's Golf moved back to the top of the West European car production league table last year, deposing the Renault R9 which plummeted to ninth position.

An analysis of production statistics by the Automotive Industry Data Newsletter shows Fiat's Uno is second place while Ford's Escort moved up from fourth to third in the table.

The fastest-climbing car in production last year compared with 1983 was Fiat's new Regata, up by 263.8 per cent, followed by Peugeot's highly-successful 205, up by 142 per cent and the Ford Orion, up 112 per cent after the company decided to introduce down-market versions even though they might have an adverse impact on the sister model, the Sierra.

Ford also withdrew the heavy financial incentives for dealers in support of the Sierra and the model's output last year dropped by nearly 22 per cent.

"Automotive Industry Data Newsletter" from 34 St John St, Lichfield, Staffs, WS13 6PB.

WEST EUROPEAN CAR TOP 20
(Production by model)

	1983	1984
1 Volkswagen Golf	483,181	577,062
2 Fiat Uno	376,349	482,012
3 Ford Escort	450,511	424,705
4 General Motors Kadett/Astra	457,454	389,432
5 Renault R11	319,639	380,277
6 Peugeot 205	154,995	375,040
7 Ford Fiesta	356,530	367,870
8 General Motors Ascona/Cavalier	377,668	329,009
9 Renault R9	488,048	328,420
10 Renault R5	344,811	304,221
11 Ford Sierra	378,858	296,790
12 BMW 3-series	246,747	268,620
13 General Motors Corsa/Nova	246,340	259,999
14 Citroen BX	181,643	218,457
15 Fiat Regata	58,207	211,773
16 Mercedes 190	109,837	195,346
17 Mercedes 123	259,616	166,927
18 Volvo 200 series	216,912	160,800
19 Audi 80	150,033	157,737
20 Volkswagen Jetta	114,068	155,835

Source: Automotive Industry Data

S. African right-wingers hope for white backlash

BY ANTHONY ROBINSON IN CAPE TOWN

SOUTH AFRICA'S National Party Government last night nervously awaited the voting results from two bye-elections at Harrismith in the Orange Free State and Newton Park in the strife-torn Eastern Cape city of Port Elizabeth which will give the first indications of the white backlash against the Government's recent economic and political measures.

The National Party has held a monopoly of seats in the Orange Free State since 1953 but is now facing a strong challenge from the right-wing Conservative Party aided by supporters of the even more right-wing Herstigte Nasionale Party (HNP).

The Government's decision last week not to raise the producer price of maize has enraged farmers in this largely rural area and is believed to have helped the Conservatives, who are wooing English speakers as well as the predominant Afrikaner electorate.

Abolition of the Mixed Marriages Act and Section 16 of the Immorality Act which outlawed inter-racial sex is a major issue in this deeply conservative bible-belt constituency.

In practical terms the loss of one of the 28 seats on the Free State provicial council will not affect the political balance. But the psychological effect of the Nationalists losing its Free State monopoly would greatly enhance the Conservative Party's influence nation-wide.

The African National Congress (ANC), the banned South African opposition party waging a guerrilla campaign for majority rule, yesterday claimed responsibility for Tuesday's bomb attacks on the Johannesburg headquarters of two leading mining companies, writes Patti Waldmeir from Lusaka. The attacks, at the offices of Anglo-American Corporation and Anglovaal, followed the weekend sacking of 17,000 black miners for illegal work stoppages. An ANC spokesman said at the organisation's Lusaka headquarters that the Umkhonto We Sizwe, the group's military wing, had carried out the attacks.

In the parliamentary constituency of Newton Park, held by the Nationalists with an 1,195 majority in the 1981 general elections, the Government faces a challenge from the left of centre Progressive Federal Party (PFP) as well as the Conservatives and also risks losses to an independent National Party candidate.

The PFP earlier hoped to win the seat by capitalising on unhappiness with government economic policies which have hit the area's motor assembly and related industries particularly hard. But six weeks of continuous violence in the neighbouring black townships and the firebombing of a white youth by blacks last month have brought "law and order" to the forefront of the campaign in a way expected to benefit the Conservatives.

The government also recently gave its approval for a large scale irrigation scheme to provide employment and help farmers.

● Black trade unions flexed their muscles yesterday in a series of rallies demanding May 1 as a public holiday and putting forward a list of 18 demands to Government and employers. Heavy police patrols were in evidence at many black townships to prevent demonstrations and police stood by with over a dozen mass-arrest vehicles outside the trade union centre of Khotso House in downtown Johannesburg where leaders of 31 black unions pressed their claims in an impressive display of unity.

The demands included a reduction in the working week from 46 to 40 hours, improved unemployment pay and social insurance, free compulsory education, improved housing and the release of all political prisoners.

Economic deterioration predicted

BY JIM JONES IN JOHANNESBURG

SOUTH AFRICA'S immediate economic outlook is far from bright according to a survey by Stellenbosch University's authoritative Bureau for Economic Research (BER). The BER's Quarterly Survey of Business Opinion says that important indicators, such as sales volumes, production levels and orders received, deteriorated in the first quarter of this year and are likely to slow down further in the second quarter.

Cost-push inflation is the fundamental problem of the manufacturing and trade sectors. The BER reports that the conventional economic relationship of continued slack demand leading to reduced prices is not being realised in South Africa.

Manufacturers have been unable or unwilling to absorb higher input costs, particularly those associated with the rand's exchange rate weakness. Most manufacturers report declining order books, larger proportions of unused productive capacity and reduced numbers of factory workers employed. As a result, the BER says, the outlook for new fixed investment is bleak.

Retailers and wholesalers believe that first-quarter trading conditions were worse this year than in 1985 and they fear that the second quarter will show a similar pattern.

Official figures show that retail sales fell by 6.8 per cent in real terms during the first quarter to a seasonally adjusted level of R4.19bn (£1.75bn) measured in constant 1980 prices.

The poor outlook for the motor sector was summed up by Mr Colin Adcock, the managing director of Toyota South Africa at the company's annual general meeting on Monday. He estimated that new passenger vehicle sales would be no more than 15,000 in April against 18,000 in March and 26,000 in April 1984.

● Legislation that would impose sanctions on South Africa, including a ban on computer sales, cleared its first hurdle in the U.S. Congress yesterday when it was approved by two subcommittees, Reuter reports from Washington. The controversial measures will now go to the full House of Representatives Foreign Affairs Committee for action, possibly this week.

Lebanese Cabinet under more strain

THE FIGHTING between Christian and Moslem forces near Sidon is creating further tensions in the already divided Lebanese Government, *Our Middle East Staff reports.* One Christian minister has said he is resigning and another pledged yesterday not to attend any further Cabinet sessions.

Key Moslem ministers have for some time refused to attend meetings at the presidential palace in East Beirut and Mr Rashid Karami was recently only persuaded to stay on as Prime Minister following heavy Syrian pressure.

Moslem militias were yesterday checked in their attempt to advance towards the Christian town of Jezzine by units of the Israeli-backed South Lebanon Army. But they have repeated their demands for the SLA to be withdrawn from Jezzine and were yesterday reported to be bringing up additional units.

Turkish tanker hit in Gulf

A Turkish-owned tanker was attacked by Iraqi aircraft yesterday south of Iran's Kharg Island oil terminal, Agencies report. Despite being hit by an Exocet missile on the starboard side little damage was caused to the 134,372 dwt Burak M and there were no casualties.

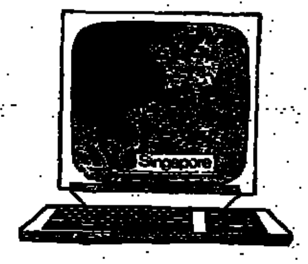
The vessel, loaded with 120,000 tonnes of Iranian crude, was reported heading to Dubai. The Turkish Ministry of Foreign Affairs said that the ship had been outside the Iraqi-imposed exclusion zone.

***It was the first successful* Iraqi attack for over two weeks, and oil industry executives said that Iran has been able to step up exports**

UK aid for Sudan

Britain will examine avenues for increased assistance to Sudan, Mr Richard Luce, UK Minister of State at the Foreign Office, said yesterday Tony Walker writes from Cairo. Mr Luce, fresh from talks in Khartoum, said he told the new Sudanese leadership that the EEC was stepping up emergency aid, of which Britain provided about a fifth.

Singapore shifts into hi-tech gear



In the first article of a three-part series on developments in Asian high-tech industries Chris Sherwell, Our South-East Asia Correspondent, explains the plan to develop this city state into a 'brain services' centre for the region

A PRIME piece of undulating parkland, one of the few sites still offering a hillside view of Singapore, has become a focus for the tiny island state's much-vaunted shift into the "high-tech" age.

The establishment of the Singapore Science Park shows how attention is shifting into research and development as the Government, private industry and academia push for the creation of a "brain services" centre for the fast-growing South-east Asian region.

The move is a decisive step in Singapore's economic evolution. The Government, having successfully brought in foreign investors in the 1960s and 1970s with its political stability, excellent location and infrastructure and seductive financial incentives, has sought in recent years to "upgrade" the economy.

The idea is simple: first, curb labour-intensive, low value-added activities such as textiles or car assembly, which neighbouring Indonesia or Malaysia can do more cheaply; then, push the manufacturing sector into higher value-added activities which demand more skills and bring higher pay, and shift into services.

The strategy has worked well so far. Established industries such as oil refining, which still dominate Singapore's manufacturing sector, have modernised through heavy investment. Others have simply adjusted so that instead of textiles Singapore produces high fashion garments and instead of radios it is manufactures video-cassette recorders.

More importantly, new industries like electronics have grown up, leading some to call Singapore "Silicon Island." Multinational companies or their suppliers have flocked in to purchase or manufacture disc drives, printed circuit boards, terminals and printers. Manufacture and assembly of other sophisticated equipment has also begun, from machine tools to medical instruments.

The Government has discouraged low-level industries through a "high wage" policy to speed things along. It has also tried to free surplus labour by automating all existing worthwhile activities, including its own civil service, through computers and robts, and by a relentless productivity drive. Above all, it has offered helpful financial inducements.

Now the strategy is being taken further, as the ambitions of Singapore's economic visionaries reach higher and wider. The country, officials admit, may never do more than fill in niches, and certainly will not produce an IBM or an Apple; but it must stay abreast of modern developments and clamber up the technology ladder.

This is where the Science Park, still at an infant stage of development, comes in. It represents Singapore's biggest attempt yet to encourage research and development—value-added activity par excellence. Along with other new scientific centres next door at the National University, it also shows how the emphasis is changing towards so-called "brain services."

Progress has been evident for some time: Singapore already offers diverse financial services and wants to develop these further. It has medical, engineering, legal and other services, and various types of sophisticated consultancy.

The key idea, however, is to encourage design and to promote research and development. That has already begun in areas like food processing: Nestle, Cerebos and others are all involved in research and product development. It is also growing rapidly in electronics: only last week SGS of Italy opened an integrated circuit microchip design manufacturing facility in Singapore, said to be the first of its type in Asia, outside Japan.

The government's determined drive to encourage computer literacy is meanwhile aimed at making Singapore a centre for software, another "brain service." There is a department of computer sciences at the university, and industry is jumping in: IBM of the U.S. is involved in an institute of systems science, also at the university.

NEC, the Japanese electronics and telecommunications group, is setting up its own software centre in Singapore; while at government-to-government level, a Japan-Singapore Institute of Software Technology has been established.

Similar developments are occurring in other fields. Telecoms, the Singapore telecommunications authority, is preparing for the information age and a future dominated by data processing: it already has a strategic stake in the local company Singapore Press Holdings, one of Asia's largest media groups, and is developing an innovative viewdata scheme using both telephone lines and broadcast signals.

The idea of a "brain services" centre may in reality be as limited as the overall vision of "high tech." As one official says, not only will Singapore not create an IBM, it will also not create a CERN (the European nuclear research centre). This route will offer the sort of rapid economic growth generated by earlier shifts into industries such as oil refining or ship construction.

Indeed, Singapore now expects lower growth rates over coming years, and there is more gloom around than excitement as the turnround tightens its grip.

The path is nevertheless clear. Singaporeans are bound to face difficulties mastering this phase of their economic development, especially in trying to push ahead so quickly, but to them the country's very survival depends on staying ahead of equally-ambitious neighbours and in tune with the modern world. The Science Park—and everything else—is geared to this need.

Kuwaiti minister faces stock market row

BY KATHLEEN EVANS IN KUWAIT

THE SPECTACULAR collapse of Kuwait's Souk al-Manakh stock market in 1982, which left in circulation post-dated cheques totalling more than $90bn, is threatening to claim more political victims.

This week's continued parliamentary post mortem into the crash resulted in calls for the resignation of Sheikh Salman al Duaij al Sabah, the Minister of Justice, and, despite a personal plea for national unity from the Crown Prince and Prime Minister, Sheikh Saad al Abdulla al Sabah, the Minister of Justice will now have to face a vote of no-confidence next Tuesday.

The debate, like others before it, was marked by a flood of accusations and counter-accusations about MPs involvement in the market.

The allegations are more specific however. In a series of detailed accusations, members alleged that the 12-year-old son of the Minister had personally benefited from the Small Investors Fund to the tune of $4.6m.

The Fund was set up shortly after the dimensions of the crisis became apparent and was designed to bail out investors.

During the last parliament, Sheikh Duaij together with Sheikh Ali Khalifa Al Sabah, the Minister of Oil, and Mr Jassim al Marzouk, the Commerce Minister, had specifically denied any involvement in the Manakh market.

Sheikh Duaij claimed this week that his son's participation in the stock market did not in any way impinge on his duties as Justice Minister. He charged his accusers of holding personal grudges against him and claimed that one of them, Mr Hamad al Juaan, had himself been heavily involved in the market.

From the tone of the debate it also seems possible that Sheikh Duaij may not be the only minister to face interrogation by Parliament. Accusations against others are now being openly discussed.

The first ministerial casualty was Mr Abdul Latief al Hamad, who resigned as Finance Minister in protest over the Government's handling of the affair.

Tim Coone and **Robert Graham** examine the latest White House moves against the Sandinistas

U.S. trade ban tightens the squeeze on Nicaragua

THE INTRODUCTION of a full U.S. trade embargo on Nicaragua, announced yesterday by the White House, is a significant escalation of American pressure on the Marxist orientated Sandinista Government. The Sandinistas have been anticipating such action, so the move comes as no surprise in Managua.

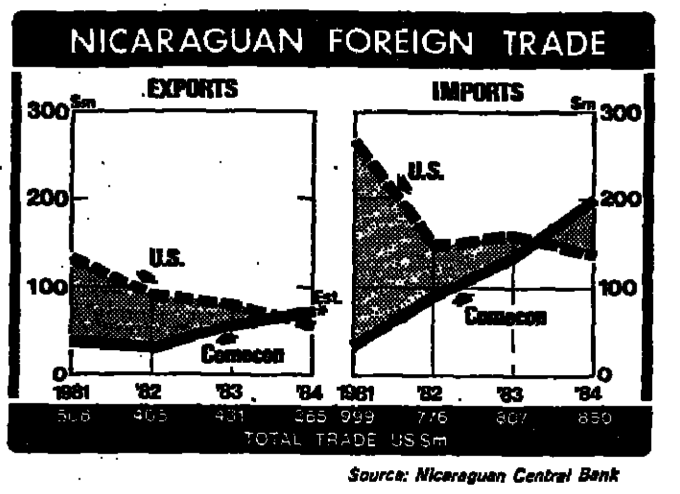
Since 1981, when the U.S. began to apply economic pressure on Nicaragua, the Sandinistas have lessened their heavy dependence on the American market. Nevertheless, the sanctions will hurt the Nicaraguan economy, especially because industrial plant is largely of U.S. manufacture: if strictly enforced, access to spare parts will be difficult.

The sanctions will accelerate the existing diversification of trade. Nicaragua has been careful not to depend too heavily on any one trading partner and has been successful in striking deals, often unorthodox, with such countries as Algeria, Libya and Iran. The extent to which Nicaragua is now forced on to the Soviet Union and Eastern Europe will depend on two factors: the pressure which the U.S. is prepared to exert on its allies, whether among the industrialised countries or in Central America, to co-operate in ensuring the embargo is not broken; and the amount of trade credit and project finance forthcoming either from the industrialised countries, wealthy Latin American countries like Mexico or from the Middle East, such as Iran. So far the Soviet Union, while increasing its share of trade and financial assistance, has not been a major factor in propping up the economy.

Recent U.S. pressure within the Inter-American Development Bank, a vital source of multi-lateral finance, has led to the blocking of a \$58m (£47.9m) loan. This type of pressure is now expected to be extended to the International Monetary Fund where there are already suggestions that the U.S. may seek Nicaragua's expulsion.

Since the 1979 revolution, Eastern European countries, as well as Cuba, are believed to have supplied less than \$1bn (£826.4m) in financial assistance, of which no more than \$400m has come from the Soviet Union.

This week in Moscow, Nicaragua's President Daniel Ortega is believed to have asked for a further \$200m. But this only covers bare essentials since the war against the Contra rebels is taking up nearly 50 per cent of the budget and absorbing precious foreign exchange. Any further limitation on Nicaragua's ability to find credit either bilaterally or through multi-lateral organisations as a result of U.S. pressure must challenge the Soviet Union to consider more assistance.



Source: Nicaraguan Central Bank

The difficulties of imposing water-tight sanctions is of little comfort to the Sandinistas in their present parlous economic plight. It is pointed out in Managua that previous instances of sanctions being "busted" have been in situations where large amounts of money have been available.

Politically, this new demonstration of President Ronald Reagan's hostility towards the Sandinistas is liable to radicalise the revolution, and encourage the leadership to foster further the traditional mistrust of American interventionism. At another level, the group most affected by these measures is going to be the hard-pressed private sector, already critical of the Government. It remains to be seen whether they will now choose to blame the Government for what has happened or the Reagan Administration. Either way the private sector will be further stiffled.

A further consequence is expected to be an increased military effort by the Sandinistas to weaken and crush the contra rebels operating from Costa Rica and Honduras. In the past four to five months the Nicaraguan armed forces have scored a series of successes and they are now determined to take advantage of the blow to the contras' moral following the denial of Congressional funds last week. Funds are still reaching them from private U.S. sources; but it is going to be difficult to obtain the kind of weapons and money needed to increase their numbers and fire power to a point where they directly threaten the overthrow of the Sandinistas.

President Reagan's determination to find funds somehow for the Contras should not be underestimated and President Ortega's visit to Moscow so soon after last Thursday's Congressional vote has undoubterly bolstered his hand. If Nicaragua can be presented as leaning heaving on the Soviet Union, President Reagan's arguments of stemming a communist threat in Central America become easier to sell.

The level of Nicaraguan trade with the U.S. has fallen from around 25 per cent of total foreign trade in 1981 to around 15 per cent in 1984. A reciprocal increase in trade has been registered with the Comecon group of countries. Nonetheless, the U.S. is a natural market for Nicaragua.

Nicaragua's two main export earners are cotton and coffee, sold primarily to Japan and Western Europe respectively. But bananas, shellfish and fresh meat, which together account for more than 90 per cent of the \$55m Nicaraguan exports to the U.S. in 1984, are products sold almost entirely in the U.S. market. These perishable goods will also be difficult to place in alternative markets at short notice. Nicaragua's sugar exports have been successfully diverted to new outlets in Algeria, Iran and Libya following the cuts in the U.S. sugar quota in 1983.

Transport is the most critical area in the economy and has been the source of numerous bottlenecks and headaches to the Government in recent years due to foreign exchange shortages. However, fuel supplies now come entirely from Mexico and the Soviet Union; the vehicle fleet, both public and private, is primarily of Japanese and Eastern European origin, so little further disruption will be created in this key sector.

New construction and agricultural machinery has come primarily from Eastern Europe since 1981, and has been channelled mostly to the state sector and to agricultural co-operatives. The private sector, which still has ageing stocks of U.S.-made machinery such as tractors and cotton harvesting machinery, will be the hardest hit by the trade embargo.

However, in a May Day message to the Nicaraguan workers, the Sandinista leadership said that the U.S. "wants us to surrender through hunger and to force us to our knees by economic pressure, but in this they will never succeed."

Honduran 'drugs boss' faces murder charges

TEGUCIGALPA – A Honduran arrested in Colombia for involvement in the killing of a U.S. drug agent is also wanted for two murders in his home country, Honduran officials said.

Sr Jose Manuel Matta Lope, believed to head one of Latin America's biggest trafficking rings, faces charges for the 1977 murders of his former accomplices Mario and Mary Ferrari.

Sr Matta is also wanted on bribery and kidnapping charges. He was arrested on Tuesday in the Colombian city of Cartagena at the request of the U.S. Drug Enforcement Administration (DEA).

He is suspected of being behind the killings of DEA agent Enrique Camarena Salazar and his Mexican pilot Alfredo Zavala who were kidnapped on February 7 in Guadalajara, Mexico.

Mexican police said that while Sr Matta was well known for having ties with drug smugglers arrested in the case, they had no evidence that he was directly implicated in the agent's murder.

The DEA has identified Sr Matta as an important drug smuggler and says he is responsible for most of the cocaine traffic from Colombia to Honduras.

Colombian police first got on Sr Matta's trail in 1978 when he escaped a raid on his house in Bogota where police found \$1m in cash and 800 kilograms of cocaine, the biggest drug haul in Colombia's history.

Sr Matta's capture came on the first anniversary of the murder of Sr Rodrigo Lara Bonilla, the former Colombian Justice Minister, by gunmen in the pay of drug smugglers.

The killing led to a massive crackdown on the country's powerful narcotics bosses. Efe

Army kills 50 Salvador rebels

SAN SALVADOR – About 50 left-wing guerrillas and 10 soldiers died in clashes when the rebels attacked two small towns in northern El Salvador, the armed forces press office, Coprefa reported.

The Farabundo Marti National Liberation Front (FMLN) rebels staged a six-hour attack on the towns of San Ignacio and La Palma, on Tuesday, before troops backed by aircraft repelled them.

The army has deployed more troops in the central province of San Vicente, the northern province of Chalatenango and the eastern provinces of Usulutan, Cuscatlan and Morazan, where several clashes have taken place in the past few days.

Six soldiers were reportedly injured on Monday when a mine exploded in Suchitoto, north of El Salvador. Efe

Make-or-break time for Ontario Tories after 43-year rule

BY BERNARD SIMON IN TORONTO

POLITICIANS seeking the secret of sustained electoral success may be able to draw a few lessons from the campaign that reaches its climax today in the Canadian province of Ontario.

The results of today's vote for 125 members of the provincial legislature are unlikely to send ripples through the world's—or even Canada's—financial markets. Among the hottest issues on the hustings have been doctors' fees and a long-standing ban on beer sales in corner grocery stores.

But the vote will either perpetuate or terminate one of the Western world's most remarkable political feats. The ruling Progressive Conservative Party (PCP) has governed Ontario without a break since August 1943. If it receives another five-year mandate today, party leaders are likely to start planning for a golden anniversary celebration in 1993.

Among the factors favouring the Tories has been Ontario's impressive economic revival in the last year, thanks largely to strong demand from the U.S. for motor vehicles and steel produced in the Niagara Falls area. Ontario is the industrial heartland of Canada. With a third of the country's total population, it contributes almost half of total industrial output.

Helped by the low ideological content of Canadian politics, the PCP has sustained its support over the last four decades by swinging gently from moderately progressive to moderately conservative policies, depending on the public mood which party leaders guage by frequent and exhaustive opinion polls.

The formula of following rather than leading public opinion was apparent from the start of the current campaign, when the province's new premier, Mr Frank Miller, replaced his colourful sports jackets with three-piece pinstriped suits. Mr Miller, an affable former garage owner and resort operator, has tried to model himself on his bland (but immensely popular) predecessor Mr Bill Davis, who retired last February.

One of Mr Davis's final acts in office was to give the go-ahead for a majestic domed sports stadium in Toronto that baseball and football fans have long clamoured for. Mr Miller has followed in his footsteps by showering favours on a host of interest groups.

He kicked off the election campaign in early April with a C\$1.6bn (£941m) programme to help small businesses. Next came C\$52m in credit assistance to the province's farmers, and 4,500 new beds in senior citizens' nursing homes. The well-known Stratford Festival theatre group, south-west of Toronto, will receive a generous grant for a mobile stage.

Besides looking for ways to win votes, the Conservatives have gone to considerable lengths to avoid losing them. Property inspectors have been told to suspend routine home visits to assess property taxes. Scientists in the province's environment Ministry alleged last week that the Government has held up publication of a report that pinpoints industries polluting the Great Lakes.

The bad news for Mr Miller is that his party's vaunted electioneering skills have not prevented a substantial drain of support in recent weeks. According to the polls, backing for the PCP has slipped from 51 per cent to around 40 per cent since the campaign began. Some pundits predict that the Tories will not win enough seats in today's election to form a majority government.

Mr Miller has appeared to lack Mr Davis's sure-footedness. He turned his back earlier in the campaign on the party's famed "blue machine" that masterminded Canadian Prime Minister Brian Mulroney's landslide victory in last September's federal elections. Other party leaders have scored points from the Premier's refusal to participate in a television debate and Mr Miller antagonised the Press by using police bodyguards to keep reporters at bay.

These possible errors of judgment do not seem to explain fully why the PCP may be disappointed in today's election results. With a Conservative federal government now installed in Ottawa after two decades of almost unbroken Liberal Party rule, many voters may simply feel that it's time for a change in Ontario too.

Sao Paulo worst hit as Brazilian strikes spread

BY ANDREW WHITLEY IN RIO DE JANEIRO

A GROWING wave of strikes is bringing chaos to Brazil's major cities, paralysing transport and other major services. Manufacturing industry in heavily industrialised Sao Paulo state has also been crippled, affecting vital exports.

Led by the left-wing Workers' Party and its associated trade union federation CUT, the strikes are causing concern to the new Government of President Jose Sarney which is uncertain how far to go in putting them down.

For the second day running yesterday, most domestic flights were cancelled because of strikes by air crews and ground staff working for the three largest airlines, Varig, Cruzeiro and VASP. The smallest of the big four, TransBrasil, settled separately with its employees.

On Tuesday only a third of all scheduled flights took off, with the greatest disruption coming on the heavily used air shuttles on the triangle formed by Brasilia, Rio de Janeiro and Sao Paulo.

Manaus, in the heart of the Amazon—a city whose survival depends largely on air transport—was virtually cut off from the rest of the country.

The greater Sao Paulo metropolis, housing an estimated 13m people, has been worst hit. Water and sanitation workers are due to stop today, saying they will only maintain an emergency service. Suburban trains and urban bus services were also due to halt from midnight last night.

In its first statement on the strikes, the Government said on Tuesday that it would guarantee the right to work and would not permit strikers to break the law. It is nevertheless clearly reluctant to use the draconian strike-breaking measures at its disposal, inherited from the previous military regime.

About 43 major strikes are taking place around the country. Most have remained peaceful, although scuffles have broken out over the past two days between pickets and working air crew outside airports.

WORLD TRADE NEWS

U.S. groups set for telecom deals

BY ROBERT KING IN TAIPEI

NON-U.S. manufacturers of sophisticated digital switching and transmission equipment will probably find themselves out in the cold when the Taiwan telecommunications authority starts buying an estimated $3-$4bn worth of these goods over the next 15 years.

Taiwan has decided in principle to parcel out purchases of an average 600,000 digital lines annually to GTE, ITT, and AT&T, the three U.S. suppliers of digital switches which already have extensive investments in manufacturing and research in Taiwan.

The procurements are part of a 15-year, $11.25bn project to improve the country's telecom system and create an integrated systems digital network by the turn of the century.

European suppliers could land orders worth more than the upgrade project in consumer-related areas such as intelligent datacom terminals, videotext equipment and cellular mobile telephones.

Already L. M. Ercisson of Sweden has taken steps to ensure itself a share of the private sector market by filing an investment application with the Taiwan Government to manufacture cellular mobile telephone systems.

The telecommunications authority has decided to retreat from its earlier position of offering international tenders for the switching gear. Competition for such tenders and political infighting that has accompanied the tenders in the past have already set back its development schedule by nearly two years.

Instead, the authority will award contracts for the switches to those American companies already in Taiwan on as negotiated price basis, while trying to ensure that the three each got a more or less equal share of the pie.

The U.S. continues to exert strong support internationally on Taiwan's behalf, but there is also considerable pressure on Taiwan to make a dent on the huge surpluses it continues to enjoy in its trade with the U.S., its largest trading partner.

Taiwan relents on China trade

By Our Taipei Correspondent

THE TAIWAN Government has announced that it will not interfere with increasing foreign exports of Taiwanese goods to China.

Indirect trade, especially Taiwanese exports to China, began to expand about four years ago as Peking sought to make more consumer goods available to its citizens.

Electronic products such as televisios and tape recorders, as well as synthetic yarns and fabrics, mainly contributed to the hundreds of millions of dollars worth of exports that passed at that time through Hong Kong alone.

Taiwan trade sources have estimated that exports worth $550m passed through Hong Kong to China last year, but other estimates put the figure closer to $1.2bn.

When exports through Singapore and Japan, as well as a modest amount of direct trade, are included, the figure for last year may have topped $2bn, or almost 7 per cent of total Taiwan exports.

The Government, as a matter of policy, forbids any direct contact between Taiwan and China, with which it has been technically at war for more than 35 years.

As a result direct trade between the two nations has been almost nil, although China has repeatedly called for the establishment of trade, postal and other links.

Taiwan has repeatedly rejected such offers as "sugar-coated poison" aimed at bringing the island under China's control. At the same time it has turned a blind eye to indirect trade.

Officials have acknowledged that they have no way of determining the ultimate destination of goods shipped through third countries such as Japan, Singapore and Hong Kong.

They also say that attempts to control the flow of exports would hamper industrial development.

The Government has at the same time, however, cautioned local businessmen not to depend too much on the Chinese market. They are afraid, for instance, that Peking for political reasons might cancel orders in mid-production on a massive scale and thus cause the collapse of a great number of Taiwanese companies.

Bid to boost UK-Cuba trade links

BY FRANK GRAY

A 20-MEMBER team of British businessmen visits Cuba next week in an effort to boost Britain's trade links with the only Comecon country in the Western Hemisphere.

The purpose of the mission is to take advantage of Cuba's build-up of its traditionally weak manufacturing sector as it seeks to reduce its strong dependence on such basic sectors as sugar, tobacco, fishing and nickel.

With more than 8m tonnes produced last year, Cuba is the world's largest sugar exporter, most of it going to the Soviet Union at subsidised prices and in part exchange for Soviet technology and oil.

However, in seeking to develop its industrial sector, Cuban authorities have indicated a willingness to step up business with Western trading partners in order to improve their own manufacturing and production "know-how."

The mission, organised by the London Chamber of Commerce, is being led by Lord Selsdon, financial adviser to the Midland Bank Group.

The sectors represented include radio communication, processed food manufacturing, electronic cable equipment, power generation, pipeline and industrial valves, hand tools, pre-stressed concrete and laboratory equipment, and textile packaging.

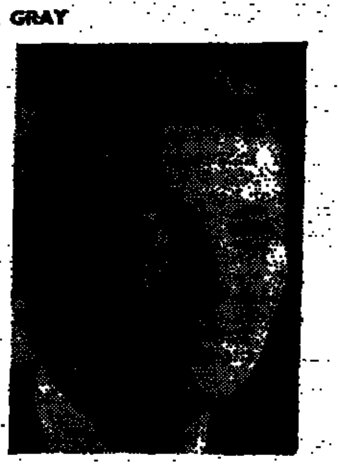
Among the companies on the mission are AEL Communications, BICC Telecommunication Cables, Courtaulds Central Trading, ICI Paints, Hawker Siddeley International and Baker Perkins.

With more than 80 per cent of Cuba's imports and exports tied up with the Comecon bloc, Britain's market share is low, although it enjoys a substantial trade surplus with exports, at £64.5m (£46m in 1983), outweighing imports of £13m last year.

Apart from an unexpected rise in cereal shipments last year, main British exports are industrial machinery (£6.1m), instruments and measuring equipment (£3.1m), and transport equipment (£9.2m).

The value of British trade was given a boost earlier this year with a £32m order won by Smith's Dock, a British Shipbuilders unit, to supply four cargo ships to Cuba.

Cuba's shipments to the UK centre mainly on petroleum oils, sugar, tobacco (mainly cigars) and the small, but growing citrus fruit sector.



Lord Selsdon

Cuba, renowned for its rum production before the 1959 revolution, is anxious to establish UK ties because of Britain's tradition in rum blending and shipping. But it will face stiff competition from its Caribbean neighbours who have long done business through London merchants.

The Confederation of British Industry believes Britain should be able substantially to boost its market share with Cuba against strong competition from Spain and France but is discouraged by what it sees as the "inadequate" export finance available.

According to the Export Credits Guarantee Department (ECGD), Cuba is restricted to short-term credit coverage, with two credit insurance facilities of £5m each.

It points out that British contractors have not figured in the overhaul of the tourism sector now taking place around the traditional resort area of Varadero Beach, 85 miles east of Havana, and in other parts of the country.

Spanish, Frence, Italian, Swedish and even Argentine interests are proving successful in project development, the CBI notes.

The tourism industry contributes $100m in revenues to the Cuban economy and it would be greater still if Cuba had normal trade relations with the U.S.

British trade links have, however, shown steady improvement in recent years, with a steady record of industrial missions from Manchester, Merseyside, Birmingham, and London on an annual basis since 1980.

In addition, the Anglo-Cuban trade Council was established in 1983, and Cubatur, the Cuban tourism agency, is now setting up an office in London.

Tokyo, Washington in transpacific air accord

BY YOK SHIBATA IN TOKYO

NIPPON Cargo Airlines is to begin a regular service to the U.S. next week after agreement between the U.S. and Japan to expand transpacific air routes.

The agreement came after 14 months of tough negotiations, broken off three times when the U.S. sought to link the issue with wider bilateral trade friction.

In exchange for NCA's six flights-a-week Tokyo–San Francisco–New York service, Japan will allow U.S. airliners new passenger routes from Guam–Saipan to five cities in Japan – Tokio, Osaka, Nagoya, Fukuoka and Naha, Okinawa.

Japan will also abolish restrictions on the size of aircraft used by Continental-Micronesia Airlines on the Japan-Micronesia route and allow Federal Express, America's biggest small-lot cargo carrier to enter into service on transpacific route at the same time as NCA.

In addition, the two sides agreed that from April 1 1988 both countries may establish up to three new routes across the Pacific.

NCA, an affiliate of the Japanese domestic airliner All Nippon Airways, applied for permission to fly to the U.S. last February. But several rounds of talks between the two sides floundered as the U.S. demanded that Japan loosen its controls on international air traffic as a condition for giving flight rights to NCA.

Japan has long complained that the 1952 civil aviation pact between the two countries is unfair because Japan Air Lines (JAL), the national flag carrier, has limited ports of entry and "beyond rights" to carry passengers to third countries via the U.S.

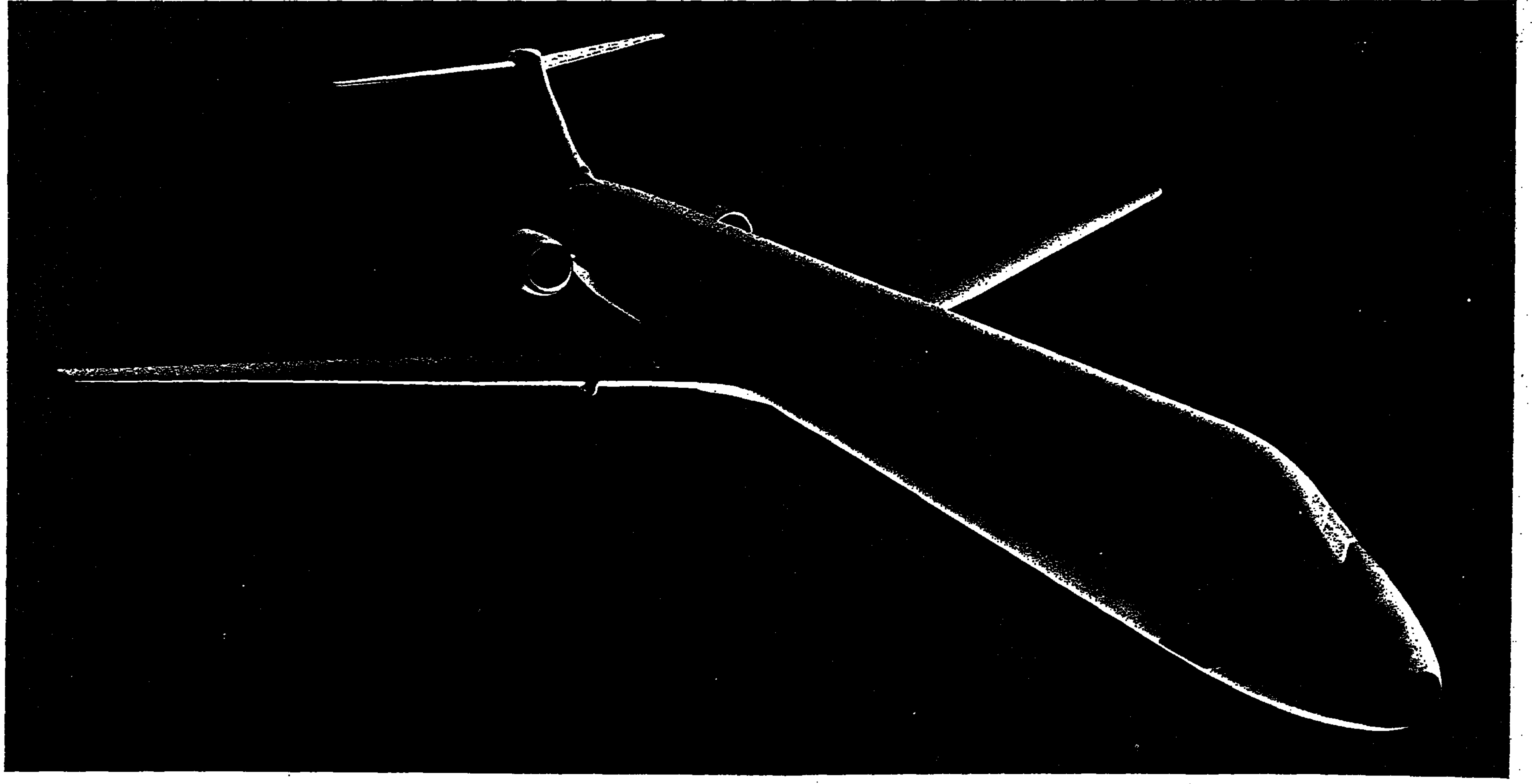
EEC, U.S. citrus row unsolved

By William Dullforce in Geneva

THE TRADE dispute between the U.S. and the European Community over citrus fruits remains unsolved after the latest meeting of the Council of the General Agreement on Tariffs and Trade (Gatt).

The Council's discussion of the issue ended with a statement of frustration by Mr Peter Murphy, the U.S. representative, who complained that no progress had been made on any of the four disputes with the EEC that his Government has referred to Gatt.

The Americans claimed that tariff preferences granted by the EEC to several Mediterranean countries, including Algeria, Moroco, Tunisia, Israel and Cyprus, on a wide range of citrus fruits and juices have impaired U.S. citrus exports to the community.

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UK NEWS

REGIONAL TRANSPORT WORKERS' OFFICIALS EXONERATED

Fresh union ballot inquiry urged

BY PHILIP BASSETT, LABOUR CORRESPONDENT

LEADERS of the Transport and General Workers' Union (TGWU) were yesterday pressed by Mr John Garnett, director of the Industrial Society, to allow him to re-open investigations into voting irregularities in last year's TGWU general secretaryship election – only hours after he published a report clearing the union of ballot-rigging.

Mr Garnett's remarkable about-turn came in a private letter to Mr Moss Evans, outgoing TGWU general secretary, sent shortly after Mr Garnett publicly pronounced himself satisfied with his inquiry into alleged voting irregularities in the union's largest region, No 1, covering London and south-east of England.

The effect of Mr Garnett's move will be that the cloud hanging over the union, Britain's biggest, as a result of the allegations will not be dispelled immediately. It is likely to influence still further the fresh ballot, due to start on May 13, which the union's executive decided last week to call as a result of the controversy.

The Garnett inquiry was set up by the union before the decision to re-run the ballot, which last year saw Mr Ron Todd, the TGWU's national organiser, who had left-wing support, beat Mr George Wright, the Wales regional secretary, who was supported by the centre and right, by 44,817 votes. It was the smallest margin in the union's history.

The inquiry exonerated Mr Sid Staden, No 1 regional secretary, and other regional officials from any allegations of ballot-rigging. The inquiry was set up after a scrutineer at the regional count raised points about its conduct.

It did find, however, that irregularities took place at eight specific branches. In one there was "serious malpractice," when of 800 votes 799 were for Mr Todd – all clearly marked in the same hand. In seven others, Mr Garneit says that local branch officials "have produced an undemocratic result."

Mr Garnett accepts the scrutineer's allegation that he was instructed to change some branch voting returns, but says the changes were minor and that they would not have affected the final outcome

In addition, Mr Garnett makes a number of detailed recommendations about tightening the union's voting procedures.

Neither Mr Todd nor Mr Wright would comment last night on the inquiry's findings. But Mr Evans welcomed the report, and in particular its exoneration of Mr Staden. He said Mr Garnett's recommendations would be considered by the union's executive in dealing with the re-run ballot.

He said: "We much appreciate Mr Garnett and his investigating team in drawing to our attention what appears to be ballot irregularities in only eight out of more than 1,000 regional branches." He said that the union was dismayed at the eight.

Mr Garnett, however, declared incorrect the view that he had found only eight irregularities out of that total number. In fact, he only scrutinised minutely the ballot slips of 12 out of the region's 1,800 branches, and of those 12 found eight guilty of malpractices.

Mr Garnett said he could not guarantee that there were no irregularities in the other branches, whose voting papers he had not examined. He accepted, at a heated press conference, that he should have examined those branch returns in which there was a suspiciously high turnout.

ICI fibre prices go up 7% worldwide

ICI has announced a 7 per cent price increase for all its fibres products around the world. The increase is attributed to improving demand and rising raw material costs, and follows similar initiatives by other fibres producers in Europe.

The price rises are to apply to all new contracts for polyester and polyamide (nylon) fibre, in the form both of filament yarn and staple fibre, and also to PET, the clear plastic used for bottle manufacture.

□ EEC support for the steel industry should be ended when the seven year-old regime of state financial help for capacity cuts and modernisation runs out in December, the British Iron and Steel Consumers' Council said yesterday. Failing this, it should be phased out as soon as possible.

The council said the regime was costly to steel users and taxpayers, because it allowed prices to remain higher than market forces would otherwise dictate. UK steel users had been especially disadvantaged.

□ SIR GORDON BORRIE, the Director General of Fair Trading, called for legislation to protect consumers against companies going "cold-bloodedly" into liquidation and then recommencing trading under a new name.

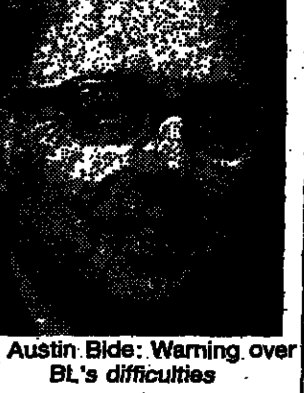
□ LONDON Stock Exchange is to introduce currency options this month in a move which sets up the exchange as a competitor to the London International Financial Futures Exchange (Liffe).

□ TEACHERS' union said that 31 of 104 education authorities in England and Wales had now been exempted from strikes after making statements in favour of the teachers' pay case.

BL's Unipart likely to expand before sale to private sector

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

A CLEAR hint that Unipart, BL's spare parts business, will make more acquisitions before it is sold back to the private sector next year is given today by Sir Austin Bide, chairman of the state-owned group.



Sir Austin Bide: Warning over BL's difficulties

In his statement with the annual report, Sir Austin says: "Unipart operates in an industry currently in the throes of major structural change and it is BL's intention that Unipart will play a full part in this process."

He recalls that last year Unipart paid £15m for AE's distribution company, Edmunds Walker, which has 100 outlets, "as a step towards privatisation."

Sir Austin also gives a warning that "the difficulties facing BL are, if anything, more demanding now than when I wrote last year."

While progress was made in some areas of Land Rover-Leyland last year, its UK and international markets remain deeply depressed. In addition, there are severe pressures on Leyland Bus because its domestic market is likely to be subject to major uncertainties for the next two years as a result of legislative changes, Sir Austin states.

"Austin Rover (the volume cars subsidiary) also faces a severe test following the damaging strike in November and subsequent loss of market share. In addition, recent developments in Europe relating to vehicle emission regulations are causing Austin Rover to review its product plans," he adds.

However, Mr Ray Horrocks, group chief executive, cars, points out that the fall in the value of sterling has made exporting from the UK more attractive than for several years. This will benefit Austin Rover with its programme of new model introductions into Continental markets throughout 1985. "With its renewed model range the group is better placed than for many years to improve its sales performance within Europe."

Mr David Andrews, group chief executive, Land Rover-Leyland, suggests the commercial vehicle business started 1985 in a much stronger competitive position than in 1984. "This fact, and the improvements recorded in 1984, indicate that there is potential for further substantial gains in performance in 1985."

● A vitriolic attack on Sir Michael Edwardes' performance when he was chairman of BL, is made today by Sir Alfred Sherman, former adviser to Mrs Margaret Thatcher, the Prime Minister.

In a foreword to a case study paper which argues that BL should be broken up and sold piecemeal back to the private sector, Sir Alfred comments that Sir Michael is "a man whose consummate political and communications skills, which sometimes bordered on theatre, did not necessarily re ound to BL's interests or ours (the taxpayers)."

He suggests that Sir Michael made "unfulfillable promises" about BL's potential recovery "which could not be concealed for ever, even though many failures were left to emerge after his departure. His early decision to keep the group together rather than begin selling it off piecemeal determined the rest of his strategy and its outcome to this day.

● Of the taxpayers' money lost on the De Lorean car project in West Belfast, £8m of £80m had been recovered, Dr Rhodes Boyson, Minister of State for Northern Ireland, said in the House of Commons last night.

He valued the Dunmury factory site at £1.8m and promised that the action in the U.S. courts in which the Government is seeking $270m from Arthur Andersen & Co., which acted as auditors for the De Lorean concern, "will be vigorously pursued."

Company political donations opposed

By Peter Riddell

A MAJORITY of the public and Conservative Party supporters believe that companies should not be allowed to donate funds to political parties.

This is shown by a Market and Opinion Research International survey of 1,954 people carried out in late March on behalf of a working party on company political donations.

The survey also shows that, by a very large margin, the public believes that companies should have to consult their shareholders before making donations and a majority thinks such consultation should be compulsory.

The chairman of the working party, Mr Edmund Dell, the former Labour Trade Secretary, said the poll indicated "obvious public concern for the present system of political financing."

The poll will probably embarrass the Conservative Party, in view of the sizeable company donations it receives. At present, political donations by a company have to be disclosed only in an annual report.

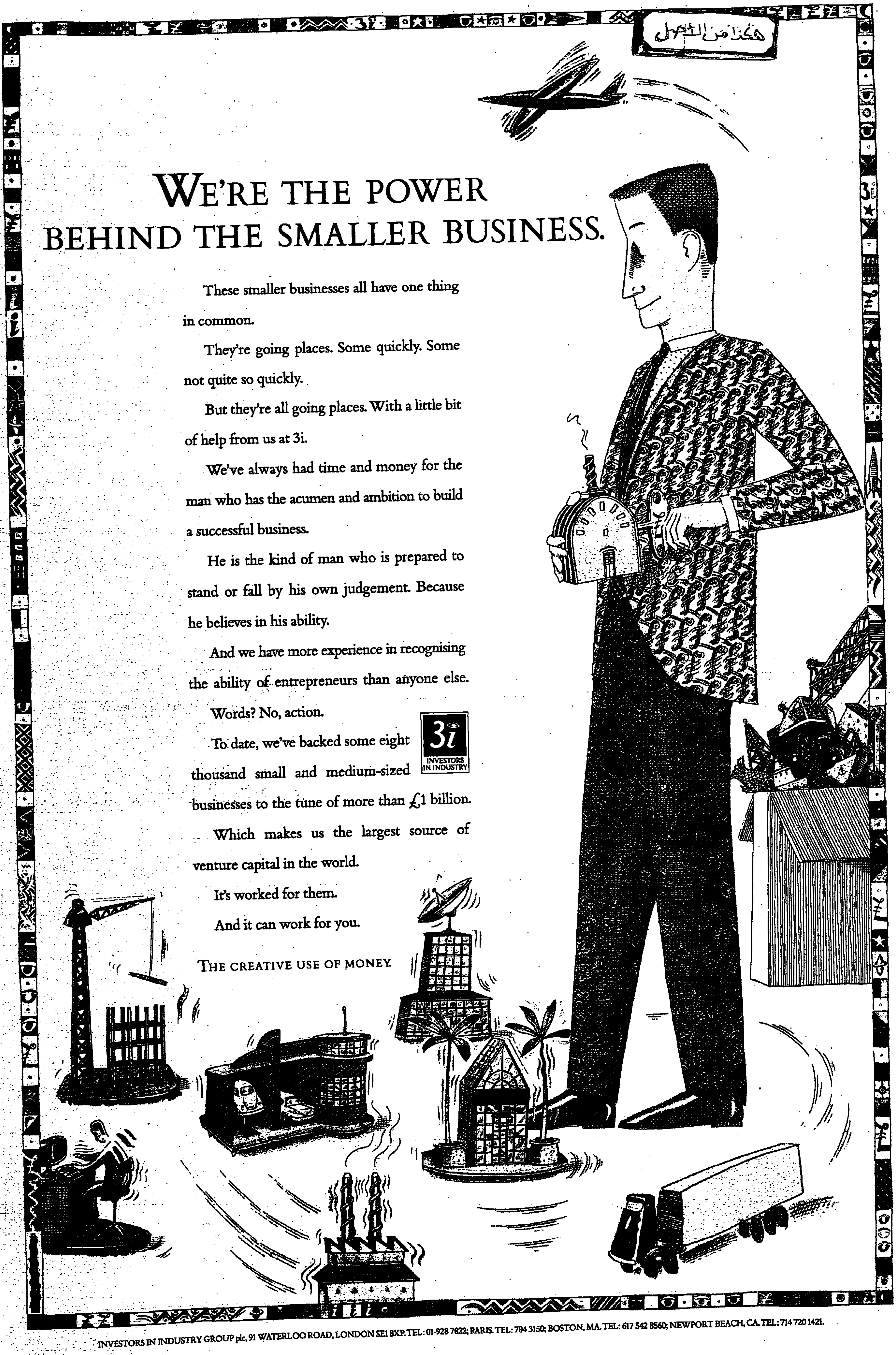
The survey shows that 51 per cent of the public believes that companies should not be allowed to donate funds to political parties, while 35 per cent say this should be permitted. Of Conservative supporters, 57 per cent are against company donations and only 31 per cent in favour.

On the assumptions that corporate donations are allowed, 82 per cent of the sample believe companies should consult their shareholders, with only 5 per cent against. Tory supporters are even more heavily in favour.

These findings, and particularly the attitudes of Conservatives, could be influenced by hostility to trade union donations to political parties, which are opposed by 48 per cent of the sample and favoured by 37 per cent.

The survey shows that trade union members as a whole are narrowly in favour of such donations (48 to 46 per cent).

Mr David Steel, the Liberal leader, yesterday defended a donation of £188,000 to the party by the parent company of the British School of Motoring (BSM).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These smaller businesses all have one thing in common.
They're going places. Some quickly. Some not quite so quickly.
But they're all going places. With a little bit of help from us at 3i.
We've always had time and money for the man who has the acumen and ambition to build a successful business.
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Words? No, action.
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Defence White Paper

Exercise Lean Look to boost front-line troops

BY MICHAEL DONNE

SUBSTANTIAL savings in the Army's share of the defence budget are expected – with the transfer of 4,000 troops from support units to front-line operations – as a result of the Ministry of Defence's Exercise Lean Look.

This study of ways to make better use of resources was published yesterday with the annual defence White Paper (policy statement).

The latter says that the overall defence budget for 1985-86 will be £18.06bn, representing a cash increase over 1984-85 of more than £1bn and providing for annual real growth in the region of 3 per cent.

This means, says the White Paper, that the UK will be spending more on defence in absolute terms, and per capita, than any other ally in Nato except the U.S.

The 1985-86 budget will be about a fifth higher in real terms than in 1978-79, excluding the outlays on the defence of the Falklands. This completes the increase in spending implemented to correct deficiencies and to enable the programme to be sustained.

"From this increased level of provision, the task is to consolidate and to use the additional resources to best advantage, by further improving the management of defence and by increasing the efficiency in the front line," the White Paper says.

Spending in 1986-87 and 1987-88 will reflect a fall in Falklands expenditure. "The provision in these years will be kept under review in the context of the Government's expenditure plans, taking account of our military commitments and all other relevant factors."

With the ending in 1985-86 of the commitment to plan for annual real growth in the region of 3 per cent, it will be necessary to plan flexibly to match the forward programme to available cash.

"But the forward programme should not be seen as a rigid plan stretching 10 years ahead, establishing commitments in detail to exact equipment numbers with specified in-service dates," it says.

"It is, in practice, continually being adjusted for a range of reasons, including technological and industrial constraints and opportunities, as well as budgetary limitations."

It is in this context that Lean Look has been undertaken. The precise financial savings involved are not disclosed, but the Ministry of Defence says that, in addition to releasing 4,000 soldiers from support units for front-line tasks, equivalent to 3 per cent of the Army's trained manpower, there will be much greater use of civilian personnel in support operations.

A substantial degree of contracting out of support services will be undertaken – in driving staff cars and other vehicles, in catering, in administering stores, in running rolling stock, some communications facilities, range operations in the Outer Hebrides, some dental services and in other areas.

Exercise Lean Look could save upwards of 800 military posts in support areas, while the reclassification of many posts within the Defence Ministry as civilian will continue.

The 4,000 front-line troops that Lean Look creates will enable improvements to forces in West Germany to be achieved, as well as strengthening the UK as a Nato reinforcement base.

The areas of improvement will include armoured warfare, close combat, fire support, air defence, command and control.

The Defence White Paper admits that the continued development of the Trident submarine ballistic missile system "will undoubtedly cost a lot of money – money that will not therefore be available for other defence purposes.

"Nevertheless, this needs to be kept in perspective. In the first place, Trident will consume only a small part of the real increase in the defence budget since 1978–79.

"In the second place, although the capital cost of Trident will inevitably depend on factors such as inflation and fluctuations in the exchange rate, we estimated when we first decided to buy the D-5 (Trident) system that it would account on average for only about 3 per cent of the overall defence budget and about 6 per cent of the equipment budget during the procurement period; and that calculation remains essentially unchanged."

The White Paper says: "There is nothing unusual about fitting large equipment purchases into the defence programme: it is a normal part of defence planning and budgeting.

"Furthermore, while the capital cost of a strategic nuclear deterrent force is considerable, running costs are comparatively small. Polaris, (the existing nuclear deterrent), for instance, accounts for less than 2 per cent of the defence budget

The White Paper says that defence equipment expenditure and the associated costs of its procurement in the coming year are expected to amount to about £9.1bn. This comprises:

Air equipment: £2.8bn for production and £705m for development.

Land equipment: £1.56bn for production and £286m for development.

Sea equipment: £1.98bn for production and £475m for development.

Research: £383m.

General support: £469m for production and £467m for development.

The White Paper says that the Trident programme is proceeding on schedule. A tender has been received from Vickers Shipbuilding and Engineering for the construction of the first of the UK's four Trident submarines "and we hope to conclude a contract by the end of the year; Vickers will be required to sub-contract work competitively where possible."

The cost of Trident, at average 1984-85 prices and at an exchange rate of $1.38 to the pound, is estimated at just under £9.3bn, of which it is expected about 55 per cent will be spent in the UK.

The estimated cost would have been more than £700m higher but for a decision to have the missiles processed in the U.S. rather than the UK.

The White Paper claims that there will be openings for British companies, despite the undeniable difficulties of breaking into a U.S. programme that is already well established.

The White Paper, discussing international collaboration, says virtually nothing about the plans to re-equip the Royal Air Force (RAF) with a European Fighter Aircraft (EAP) programme.

Stating that a Staff Target for such an aircraft had been agreed among the air forces of the nations involved, it confined its comments to the fact that the feasibility studies undertaken by the aerospace industries were being evaluated.

The White Paper nevertheless reaffirms the UK's commitment to international collaboration wherever possible.

The White Paper stresses the Government's commitment to ensuring greater competition in defence procurement, and it instances the recent controversial decision to award the RAF's new basic trainer contract to the Shorts/Embraer Tucano.

It reiterates the view that the Tucano "was the cheapest by a clear margin" in the contest against the Swiss/British Aerospace Pilatus PC-9, with a cost of some £60m, or 35 per cent less than the original Ministry of Defence estimates.

The White Paper, commenting on defence research, which will account for some £383m in the coming year, or about 2.1 per cent of the defence budget, says that the Government is "seeking further opportunities to devolve the residue of design and development work to industry and to concentrate the resources of our (research) establishments on longer-term innovative research and selective support to concepts and projects."

The Government is planning two schemes for improving the strength of the science base of this country.

One is a co-operative grant scheme between the Defence Ministry, the Research Council and the universities, to support research projects that are both of relevance to defence and of high scientific merit.

A British national space centre is to be set up, with contributions from both government and industry. The detailed arrangements have still to be made but it is likely that the technology centre will be located at the Royal Aircraft Establishment, Farnborough.

Statement on the Defence Estimates, 1985; Command 9227-I, Stationery Office, £4.50. Defence Statistics, 1985, Command 9227-II, Stationery Office, £5.

UK NEWS

Holiday Inns to open 26 hotels in £160m plan

BY ARTHUR SANDLES

HOLIDAY INNS, the U.S.-based group, has launched a £160m expansion scheme in the UK to open at least 26 hotels over the next few years.

Mr Sigi Bergmann, the group's managing director in Europe, said yesterday that the group intended to increase its UK coverage from its present 17 properties to 43. A similar level of expansion, which would mean building 140 properties, was planned for continental Europe.

In Britain, the plan would probably mean some 2,000 additional jobs in direct employment, with perhaps a further 2,000 needed for suppliers.

Holiday Inns has, as a first move, acquired 49 per cent of the famous Midland Hotel in Manchester for £12.4m and will run it. The money will be spent on the hotel and conference facilities as part of a deal with Commercial Union Assurance and the Greater Manchester Council.

Mr Peter Gree, Holiday Inns' vice-president of European development, said the intention was to preserve the best aspects of the hotel, which was formerly owned by British Transport. "It is a building of considerable architectural merit," he said.

In West Germany, Holiday Inns has recently opened a hotel in Mannheim and plans more in Stuttgart, Cologne and Passau in the immediate future. In the longer term there are proposals for Berlin, Hamburg and the Ruhr.

Holiday Inns' UK proposals, a mixture of directly financed and franchise operations, at present include possible hotels in Edinburgh, Leeds, Swindon, Oxford, Bath, York, Southampton, Milton Keynes and Chester.

Mr Bergmann said the group was also determined to build at least one hotel and possibly two in London's dockland. It was bidding for the hotel to be built for Heathrow's new Terminal 4 and would be keen to acquire more property in central London.

He said the building of hotels in central London, even if planning permissions were available, was "ridiculously high" – about £125,000 a room. The average room price for the group's provincial plans was £40,000, which was still higher than would be paid for building in the U.S., where properties might be constructed for £25,000 a room.

Mr Bergmann said he would like to see a third of the £160m UK investment coming from Holiday Inns' resources and the rest from local investors. At the moment Holiday Inns' European pattern has been around the 50–50 mark.

Recent figures from Holiday Inns Inc showed revenues up 11 per cent at $1.8bn, net income up 5.3 per cent to $131m and earnings per share up 9.5 per cent at $3.59.

COMPETITION RESTRICTED FOR AIRFIELD PROJECT

'Too few' tenders for Falklands work

BY JOAN GRAY, CONSTRUCTION CORRESPONDENT

METHODS USED by the Government's Property Services Agency (PSA) to award the contract to build an airport in the Falklands are firmly criticised in a report today from the House of Commons committee of public accounts.

The committee specifically criticises the way only three tenders were obtained for the airfield compared to the 10 called for in the PSA's standing instructions.

"The way in which the airfield contract was let was not wholly satisfactory," it said. "We trust that PSA will avoid so restricted a field of competition for any future contract of unusually high value." Latest estimates put the airfield's cost at £280m.

The report also criticises delays in the "decision-making and contract placing processes" for the associated Army harbour and accommodation facilities – latest estimated cost £116m – and queries the PSA's method of paying bonuses to the contractors.

The situation in which such a limited number of tenders for the airfield was obtained arose because the PSA initially consulted only seven leading contractors, considering it "clearly impracticable" to consult the 10 required in its standing instructions for the "quite exceptional" Falklands works.

The PSA had hoped that all seven of these contractors would tender. But after preliminary discussions six of the companies formed three consortia to pool the financial, management and professional resources needed for the job and to reduce the risk for any single company.

The PSA explained to the committee, that the decision to form consortia left it with the choice of going out to tender on that unusually narrow basis, or extending the timetable unacceptable to the to Ministry of Defence.

In May 1983, the PSA invited the consortia to tender, and the lowest bid, from Laing-Mowlem-Amey Roadstone, was accepted. The PSA's argument was that it believed that on a project with so many unknown factors acceptance of tenders from only three consortia was justified.

The committee also questions the "novel bonus arrangements" being paid to contractors building the airfield. The companies have been offered a bonus of up to £1m linked to the planned completion date of February 1 1986. But the report questions why "in view of the £500,000-a-week saving expected to accrue from troop movements they had not offered a specific bonus for completion of the main runway by the planned date of April 15 1985 or earlier."

Eleventh report from the Committee of Public Accounts, Session 1984-85, Property Services Agency: Defence Works in the Falkland Islands.

Lithgow workers to fight cut in jobs

BY MARK MEREDITH

WORKERS AT the Scott Lithgow shipyard on the Lower Clyde meet this morning to plan their opposition to nearly 600 redundancies announced by the owner, Trafalgar House.

The shipping property and construction company said yesterday it needed to bring the workforce down to around 1,500 because of lack of orders. It was carrying out a threat made a year ago when it bought the yard from British Shipbuilders and attempted to expand into offshore construction and defence contracts.

Mr Duncan McNeil, the works convener at Scott Lithgow, said the cutbacks were immoral and an act of treachery. Co-operation with Trafalgar House was being met with cuts, he said. A mass meeting has been called for this morning.

Scott Lithgow has not been able to expand significantly on the £88m contract from Britoil to build a giant semisubmersible – an order salvaged with the takeover. Britoil cancelled the contract when the yard, under British Shipbuilders' management, was two years behind with the work, but the oil company restored the order as part of the takeover agreement.

Britoil's management stated recently that the contract was at present about four months behind schedule and due for delivery in September 1986 instead of May that year, but it said it would stick with the order.

Other work for the yard has been finishing off existing contracts, a semisubmersible rig for BP and work on HMS Challenger, a seabed operations vessel which Trafalgar House said was completed six weeks ahead of schedule.

Palitoy offshoot of General Mills to halt UK production

BY CHRISTOPHER PARKES

PALITOY, a subsidiary of General Mills of the U.S., is pulling out of toy manufacture in the UK. Britain's biggest toy company, with retail sales worth £80m last year, has announced plans for 327 compulsory redundancies at its two sites in Leicestershire, central England.

Production of plastic Star Wars figures and Tiny Tears dolls will be transferred from the Coalville plant to Spain. The only production workers to be retained in Britain will be the few employed making Play-Doh modelling material for a market worth about £2m a year at retail level.

The loss of 297 production jobs at Coalville will leave 240 staff handling the packaging, warehousing and distribution of lines imported from Europe, the Far East and North Africa. Efficiency improvements at the company's nearby Ashby distribution centre will cost 30 jobs, leaving only 50 employed there.

Mr Peter Waterman, managing director, said the workers losing their jobs were the victims of the extraordinary volatility of the toy industry.

"In the 1970s you could rely on some toy lines lasting maybe 15 years and could plan capital investment for long runs," he said. Now the market demanded ever-bigger volumes from shorter production runs.

At the peak of their popularity last year, Star Wars figures and vehicles rang up £30m in retail sales. This year sales are expected to be nearer £12m.

There appear to be no plans for further Star Wars feature films to help to boost sales, although the market may get a fillip if plans for television series featuring the Ewok and Droid characters are carried out.

The company, which is perhaps best known for its Action Man range, is at present enjoying great success with its Trivial Pursuits board game and Care Bear stuffed toys.

Trivial Pursuits has already sold 500,000 copies in the UK since it was launched in January.

● General Mills has given up attempts to sell off its entire toys business. The group, of which the UK company forms part, is to be spun off as a separate U.S. quoted company. Mr Waterman said General Mills hoped to complete the process by November.

Gas chief favours retention of curbs

BY IAN HARGREAVES

EVEN IF British Gas is privatised, the Government should still operate restrictions on North Sea gas exports and safeguard other elements of national interest, Sir Denis Rooke, chairman of British Gas, said yesterday.

Sir Denis, appearing before a House of Commons energy committee, spoke only briefly of the privatisation prospect, now acknowledged within the industry to be imminent. But he implied that so far as he was concerned, the change in ownership would not mean significant changes in the way British Gas operated.

"From our point of view," he said, "the crucial element is the regulatory system to be set up. I have no information on that at all."

"Even though we would be more remote (from government), there would still be the problem that they would have the duty to look overall at what is going on in the same way that they do now. How that will be resolved, I don't know. Presumably it will form part of the regulatory system," he said.

The Government's scrutiny would probably continue to involve oversight of gas import and export policy. In his view, there were no grounds for changing the present regime on gas trade, which discourages exports without actually banning them.

Sir Denis strongly attacked the Government's role in vetoing British Gas's plan to import £20bn of gas from Norway's Sleipner field. In future the Government should set out at the start of any negotiations on imports its conditions, rather than waiting until the contracts were ready to sign.

The Government's veto, he said, had destroyed British Gas's credibility as a negotiator in international markets. "The overall feeling in Norway," he said, "is that there's not much point in talking to us if we are going to be second guessed." Negotiating through civil servants "is the best way to have a major disaster."

Sir Denis said the 15 per cent increase in estimated UK gas reserves, published in the Department of Energy Brown Book this week, had chiefly involved shuffling gas from the "possible" category to "proven and probable." These higher reserve figures have been used by the Government to justify vetoing Sleipner.

It was still quite likely that British Gas would be short of supplies in the 1990s

Coal traders may buy more fuel overseas

BY ANDREW GOWERS

COAL TRADERS warned the National Coal Board (N B) yesterday that the miners' strike might have a lasting effect on their buying patterns and could lead them to rely increasingly on imports in the future for the domestic fuel market.

Members of the Chamber of Coal Traders, which represents up to 6,000 coal merchants and wholesalers with total of about 60,000 employees told a press lunch that the strike had given them a taste for coal imports, and that unless the price, quality and quantity of NCB supplies were adequate they would be forced to look elsewhere

Imports of coal for domestic use – largely anthracite – totalled about 750,000 tonnes a year before the strike. But in order to meet a shortfall of domestic supplies during the 12-month stoppage, the trade dramatically stepped up its purchases of bituminous house coal from countries like Poland, so that imports totalled 2.5m tonnes.

Mr Brian Tasker, the chamber's national secretary, said: "We want to retain our flexibility with imports, and we hope that the NCB will respond to that competitively."

Vickers shipyard names new head

BRITISH SHIPBUILDERS has appointed Dr Rodney Leach, the former head of P&O Cruises, as the head of the big Vickers warship and submarine yard at Barrow-in-Furness.

The appointment follows the departure of Dr Leach, a former nuclear physicist, from Peninsular and Oriental Steam Navigation

JOBS COLUMN

What British executives take home abroad

BY MICHAEL DIXON

TODAY marks the end of the *spring pay-survey season* with some information of a kind that the Jobs Column has never published before. The table alongside is compiled from the Inbucon management consultancy's latest study of what companies pay British expatriates working in their overseas branches.

My figures refer to only a dozen countries, giving regional variations for the United States. But the full study covers 44, all outside Europe, and is based on more than 1,000 staff employed by 62 organisations. Readers wanting to know more should contact Inbucon's Don McClune at 197 Knightsbridge, London SW7 1RN; telephone 01-584 6171.

The table shows the average net pay—after income tax, social security and pension contributions locally or in the United Kingdom—of British expatriates at three levels. These are *denoted by the gross* salary that would be paid to the person if he or she were working in the UK. The salary levels are £15,000, £23,000 and £30,000.

For each place and for each of the levels (where the survey provides data) I start with the *total net pay* including the value of benefits in kind such as accommodation, cars and in some countries servants. The total figure is expressed first in the relevant local currency as it appears in the consultancy's report on the study which was made late last year. Then the total figure is converted into sterling at the exchange rates prevailing at the market close on Monday.

After that I give the percen*tage of the total pay received* in cash, including salary, bonuses, commissions and so on whether handed over in the country where the expatriate is working or banked elsewhere.

The countries are ranked according to the relative expensiveness or cheapness, in sterling terms, of employing British staff in them. Perhaps the lack of data in the upper levels for the United Arab Emirates, Saudi and Kuwait, means that companies just cannot afford to install top-grade Brits there.

AVERAGE NET PAY PACKAGES OF BRITISH EXECUTIVES* WORKING OVERSEAS

Country (and local currency)	UK salary level: £15,000 In local currency	Sterling at 29/4	% in cash	UK salary level: £23,000 In local currency	Sterling at 29/4	% in cash	UK salary level: £30,000 In local currency	Sterling at 29/4	% in cash
UAE (*Dirham*)	199,948	44,317	90.5	359,045	79,580	94.2	—	—	—
Saudi Arabia (Riyal)	168,297	37,941	91.0	224,739	50,665	85.6	—	—	—
Kuwait (Dinar)	13,533	36,379	70.1	—	—	—	—	—	—
Singapore (S$)	83,093	30,482	81.8	126,911	46,556	74.2	178,776	65,582	79.1
US ($): New York	32,857	26,713	92.0	52,694	42,841	86.0	67,208	54,641	87.5
West Coast	28,178	22,910	92.8	34,787	28,282	91.4	46,125	37,500	90.2
Other	33,364	27,125	91.5	46,532	37,831	87.5	56,515	45,947	86.6
Japan (Yen)	11.071m	35,598	85.9	15.785m	50,756	87.2	16.757m	53,881	85.8
Hong Kong (HK $)	247,354	25,944	86.6	369,030	38,707	86.0	472,334	49,542	84.8
Malaysia (M $)	73,241	24,077	81.7	125,938	41,400	81.6	141,398	46,479	83.0
Canada (C $)	34,446	20,473	93.0	47,380	28,160	91.3	58,307	34,655	91.2
Australia (A $)	25,009	13,342	87.5	35,224	18,791	85.2	44,056	23,503	86.7
South Africa (Rand)	33,964	14,223	90.1	40,119	16,800	92.1	54,773	22,937	89.7
New Zealand (NZ $)	26,157	9,656	84.7	36,061	13,312	81.1	49,231	18,173	86.5

* *Assumed to be married with two children.*

FX managers

THE TABLE may be of particular interest to any foreign exchange supremos tempted by two jobs on the other side of the Atlantic, which are being offered by headhunter Norman Philpot of NPA Management Services. As is always the case in this column when a recruiter does not name the employer, Mr Philpot promises to abide by any applicant's request not to be named to his client at this stage.

Both posts are at managerial level, and candidates must have demonstrated skill in leading teams of staff.

The first is "somewhere in Canada" with one of the country's banks which wants a person able to take full responsibility for the control, direction and development of all its North American foreign-exchange trading. Applicants should be already at senior level with a minimum of eight years' dealing experience.

The salary is not specified. But my estimate is around C$100,000, plus negotiable perks.

The second job is in the New York branch of a UK operation. It wants an FX manager who can show ability to bring in business as well as success in dealing and particular knowledge of Eurocurrencies and new financial markets.

Here again no salary is quoted. My guess is about $125,000.

Inquiries to Norman Philpot at 60 Cheapside, London, EC2; tel. 01-248 3812.

Finance chief

RECRUITER John Courtis seeks a financial director for a British group's subsidiary based a few miles south of London. Specialising in electronic complexities, it offers a full range of design and contracting services for airports and the like throughout the world. There are about 100 employees at the base and a variable, but often larger, number abroad.

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The salary indicator is £22,000. Perks include a car and all related expenses.

Mr Courtis evidently thinks his *client is enlightened because* it is willing to consider someone as young as 30 for such important responsibilities. But since it sets the upper age limit at only 40, I'm inclined to regard the company as purblind.

Inquiries to John Courtis and Partners, 104 Marylebone Lane, London W1M 5FU; tel. 01-486 6849.

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A SUCCESSFUL training manager is wanted by consultant Brian Standring to work in "southern England" for a financial services group. The newcomer will have responsibility for all training activities including management development up to director level.

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A well respected Bank wishes to recruit an experienced banker with a number of years exposure to Country Risk economics. The ideal applicant will be aged between 28-40, possess a good educational background, and will have spent the past five years within the credit/country risk department of a major Bank. Duties will include liaising with area managers with a view to setting limits, and then making recommendations to the Board.

Please contact Richard Meredith

UK LEASE MARKETING/ LEASE BROKERS c.£20,000 neg.

On behalf of two major Banks we seek experienced graduate Lease Brokers, aged 25-30 years, with a successful track record of business transacted, and the associated technical skills including analysis, evaluation, pricing, and structuring. The vacancies are:

— A LOCAL AUTHORITY BROKER — Suitable for an applicant with specific expertise in this field, although bankers from UK authority syndicated lending or placing areas will also be considered.

— A "BIG TICKET" SPECIALIST — Requiring experience of transactions in the £1 Million plus range — emphasis on Marketing ability.

Prospects, in terms of both potential remuneration, and career advancement, are excellent.

Please contact Jill Backhouse or Peter Haynes

All applications will be treated in strict confidence.

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Jonathan Wren RECRUITMENT CONSULTANTS

University of Edinburgh.

THE WALTER SCOTT RESEARCH FOUNDATION FELLOWSHIP

The Foundation supports a fellowship in International Investment Management with the Department of Business Studies. Applicants should have a good knowledge of quantitative technique applicable to research in this field.

Dependent on qualifications, the successful applicant might be appointed on the Research Associate scale (£6,600-£8,920) or the Research Fellow scale (£7,520-£12,150). The appointment is for a period of three years. The post could be combined with registration for a higher degree.

Application forms and further particulars can be obtained from:
The Secretary, Department of Business Studies
50 George Sq, Edinburg EH8 9JY - Tel: 031-667 1011 Ext 6577
Applications should be received by 24th May 1985
PLEASE QUOTE REF. NO. 5246

ECONOMIST

Investment Management

Bank of America is seeking an experienced Economist to join its successful and established Investment Management subsidiary. The principal responsibility will be to provide economic analysis and forecasts to support managers responsible for the formulation of investment strategy.

The successful candidate will have a strong background in economic analysis, good quantitative skills, and the ability to communicate effectively, both orally and in writing.

This opportunity offers excellent scope for career progression and a competitive salary will be augmented by an attractive package of fringe benefits in line with best banking practice.

Write with full personal career and salary details to:- A. J. Tucker, Area Personnel Manager, Bank of America NT & SA, 25 Cannon Street, *London EC4P 4HN.*

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The ideal candidate will be aged 30-40 years, will be an AIB and will have a good practical knowledge of a wide range of international bank products, including treasury financial services. He or she will be experienced at undertaking marketing visits and have a demonstrable success record.

Applicants must be prepared to travel frequently in Europe on trips of short *duration and the ability to speak a* European language, preferably French, to a good business conversational level is highly desirable.

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Please apply with a comprehensive c.v. to Jean Collins, Assistant Manager, U.K. Personnel Services, Standard Chartered Bank, 10 Clements Lane, London, EC4N 7AB.

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1 Around 30 years of age, with ability in one/two European languages, preferably including Spanish, and with a willingness to travel.

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London W1A 1BB

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A leading international executive search firm wishes to recruit an ambitious city executive to work with a small team in its rapidly growing and successful financial services group.

Candidates must be aged in their late twenties to mid thirties, possess a degree or professional qualification, and should be working with a leading financial institution, i.e. a merchant, investment or international bank, stockbroker or insurance broker.

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Please apply in strictest confidence to: P.O. Box A8985, Financial Times, 10 Cannon Street, London EC4P 4BY.

Mike Pope & David Patten Partnership

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Personnel Officer	to £18,000
Eurobond Settlements/ Accounts	to £15,000
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FX Admin.	to £11,000
Accounts Clerk	to £11,000
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PLEASE PHONE MIKE POPE

01-247 0053
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214 Bishopsgate, London, EC2

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This European banking group is one of the most profitable in the world. It is represented in the major financial centres of the world. Its merchant banking subsidiary in London continues to expand its activities—both in the range of services it provides and the geographical areas in which it is seeking business. It has established a respectable track record of successfully completed transactions in a broad range of corporate finance services. It is responsible for the group's international capital markets activities worldwide.

It now requires a Manager to join the Corporate Finance team. The right person will be profit conscious, able to contribute as a team member to business development and to the managing of transactions. Aged 25-31 you are a qualified solicitor and are seeking the opportunity to further your advancement prospects within a progressive merchant banking environment. You are *currently with a stockbroker,* merchant bank or firm of solicitors and should have gained considerable experience in the UK domestic equity market or international securities markets.

An excellent salary is offered which, with generous banking benefits, produces an impressive remuneration package. Promotion prospects are very real. To apply please write to, or telephone, Derek Cox of Cripps, Sears & Associates Limited, Personnel Management Consultants, 88/89 High Holborn, *London* WC1V 6LH. Tel: 01-404 5701.

Cripps, Sears

Company Secretary

Windsor – Berkshire

Circa: £18,000 p.a. plus car

Chesebrough-Pond's Limited is the U.K. subsidiary of a major international group, which manufactures and sells a wide range of toiletries, cosmetics, fragrances and other products, including many brand leaders.

Due to retirement, we have a vacancy for a Company Secretary who, reporting to the Financial Director, will take full responsibility for statutory and management meetings; legal and insurance matters; the company retirement plan; trademarks and property administration.

Applicants should hold a *degree or professional* qualification in law, secretaryship or accounting and have wide experience in the above areas. A specialised knowledge of law and practice relating to cosmetics or *other consumer products would be an advantage.*

Good interpersonal skills are essential, as is the ability to operate effectively within the high pressure environment of a fast expanding Company with a young go-ahead management team.

A highly competitive salary will be paid, depending on experience and qualifications, together with other benefits which include a company car, non-contributory pension scheme, and free private medical and life insurance. Assistance with relocation will be given if appropriate.

Please phone for an application form, or write enclosing full career details to: Mike Anscombe, Personnel Director, Chesebrough-Pond's Limited, P O Box 242, Consort House, Victoria Street, Windsor, Berkshire. *Telephone number: Windsor 57191.*

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Central Trustee Savings Bank Limited, part of the TSB Group manages funds in excess of £4,000 million.

Continuing growth now means that we seek to appoint an additional Fund Manager with responsibility for managing the European assets controlled by the Bank in unit trusts and pension funds with a value approximating to £30 million. Applicants must have a proven record of successful investment management *in Europe* together with the skills required to establish new contacts, develop a research base and liaise with colleagues at all levels. *The ability to communicate* in one or more foreign languages, ideally French and German, would be a distinct and added advantage.

In addition to an excellent salary, benefits include house purchase subsidy, car, a non-contributory pension scheme and free BUPA. Full relocation expenses will be met where appropriate.

Please apply in confidence enclosing a full C.V. to:
Mr C. P. Allison, Development and Training Manager, T.S.B. England & Wales, PO Box 99, St Mary's Court, 100 Lower Thames Street, London EC3R 6AQ.

TSB
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Court House, Tailors Court, Broad Street,
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Central Trustee Savings Bank Limited, *a member of the* TSB Group, wishes to recruit a Financial Futures Trader to assist in the growth of its LIFFE operations.

Applicants should be in the age range 25-30, have at least two years' experience in the cash markets and be currently qualified Financial Futures Traders. The successful candidate should be capable of trading without supervision.

In return, the Bank offers a competitive salary and benefits package.

Please write with full details to:

Mr G A Jones,
Personnel and Training Manager,
Central Trustee Savings Bank Ltd,
PO Box 99, St Mary's Court,
100 Lower Thames Street, London EC3R 6AQ.

TSB
BANK

Managing Director

New market-making company

Our client seeks to appoint a Managing Director of a new institutionally *backed company, specialising in market-making and dealing in UK equities.* The financial package will include equity participation.

Candidates must have had experience in managing dealers or a dealing room.

Confidential Reply Service: Please write with full CV quoting reference 1938/AF on your envelope, listing separately any company to which you do not wish your details to be sent. CV's will be forwarded directly to our client, who will conduct the interviews. Charles Barker Management Selection International Limited, 30 Farringdon Street, London EC4A 4EA.

CHARLES BARKER
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Our client, a major international investment bank, requires an experienced liaison officer for their syndication department with particular emphasis on Public Finance. Applicants should be graduates with a minimum of four years' experience within this area. The successful candidate will be able to demonstrate sound knowledge of New Business procedures, the syndication of bond issues within the Capital markets and most importantly the U.S. and European bond markets.

Please send curriculum vitae to: B. Johnson, PER London West, 319/327 Chiswick High Road, London W.4.

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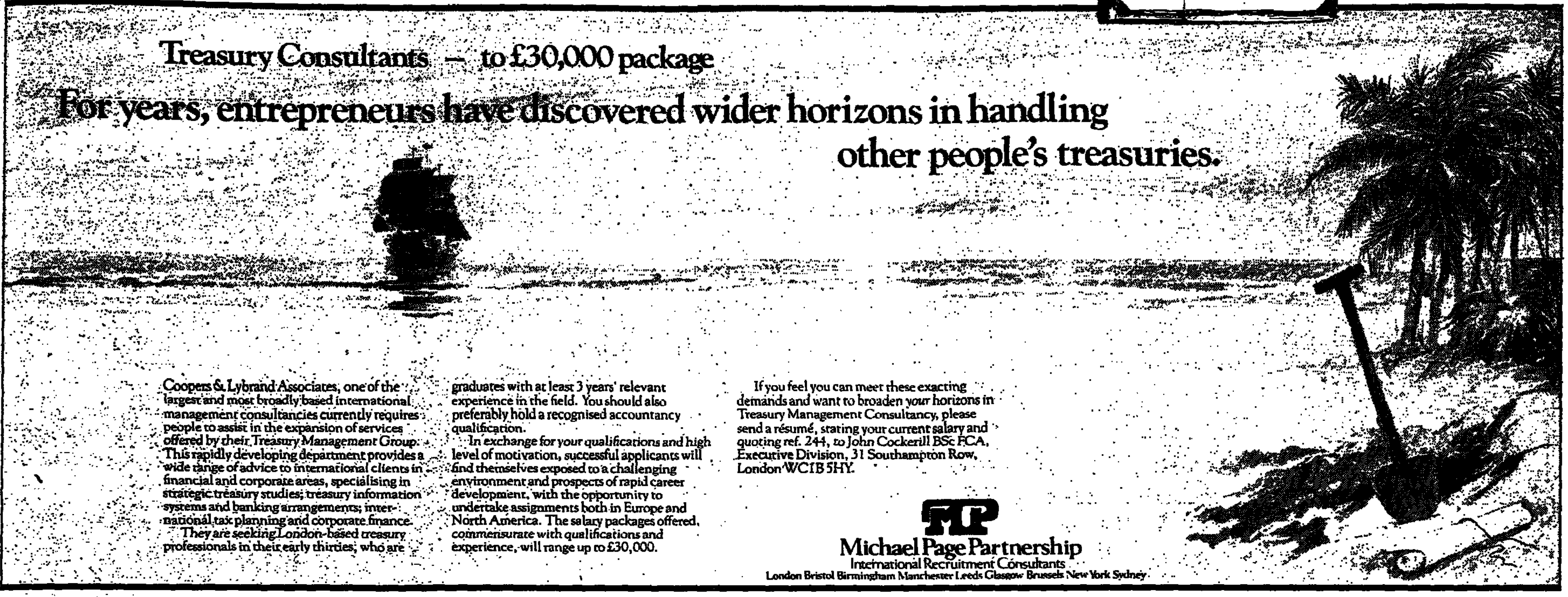

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They are seeking London-based treasury professionals in their early thirties, who are graduates with at least 3 years' relevant experience in the field. You should also preferably hold a recognised accountancy qualification.

In exchange for your qualifications and high level of motivation, successful applicants will find themselves exposed to a challenging environment and prospects of rapid career development, with the opportunity to undertake assignments both in Europe and North America. The salary packages offered, commensurate with qualifications and experience, will range up to £30,000.

If you feel you can meet these exacting demands and want to broaden *your* horizons in Treasury Management Consultancy, please send a résumé, stating your current salary and quoting ref. 244, to John Cockerill BSc FCA, Executive Division, 31 Southampton Row, London WC1B 5HY.

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Terms are for discussion in the range of £17-28,000 pa and benefits can include a car. There is considerable career development potential within the firm in the selection and other main consultancy areas due to a policy of planned expansion. Suitably tailored training in recruitment methods can be provided to improve performance.

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CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED, 35 NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE: 01-588 3588 or 01-588 3576. TELEX: 887374. FAX: 01-638 9216.

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Candidates, with an accounting or perhaps a banking background, must be professionally qualified and demonstrate a thorough grounding in treasury work gained in an international context. Experience of computer systems will be essential and fluency in French or German an advantage. Some foreign travel will be involved and there is an excellent benefits package.

Please send brief cv, in confidence, to Peter Greenaway, Ref: AA51/9306/FT.

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To apply send a detailed cv to Mr W Whitehead, Personnel Officer, Abbey National Building Society, Abbey House, Baker Street, London NW1 6XL.

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GROUP ACCOUNTANT To £20,000 + Car Surrey	An influential position with a very substantial manufacturing organisation. The appointment is ideally suited to a graduate ACA, aged 28-32 with post professional experience in a group finance role. Responsibilities embrace consolidated financial and management information, performance monitoring and the provision of sound financial guidance. Ref: MJH
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PROJECT ACCOUNTANT c £15,000 + Profit Share N.W. London	The provision of a comprehensive management information service and implementation of control systems calls for a highly disciplined approach. This well established leisure group feels the role would ideally suit an individual seeking a first move from the profession. Duties include feasibility studies, financial modelling and providing advice to all levels of divisional management. Ref: JH
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Contact: Kevin Byrne

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Contact: Felicity Hother

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Contact: Leslie Squires

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Contact: Felicity Hother

CORRESPONDENT BANKERS
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Contact: Leslie Squires

SYNDICATIONS: VICE—PRESIDENT
c£30,000

Our client, a major international bank, wishes to appoint a Vice-President to be responsible for a unit developing new sources of fee income from the underwriting of fees in connection with the syndication of new credits and the sale of existing assets with partial margin retention. Candidates will be graduates, aged under 35 years, with at least 3 years' experience of marketing syndicated facilities; additional knowledge of Capital Markets products would be a strong advantage.

Contact: Leslie Squires

CREDIT OFFICERS London and Paris
to £25,000

Our client, a major asset-based finance group with operations throughout Europe, wishes to appoint two Senior Credit Analysts: one fluent in French for the Paris office, and the other fluent in French, German or Italian to be based in London. Candidates aged 27-35 years will have substantial credit analysis experience, to enable them to assume early responsibility and discretionary lending authority on a range of financial products. An attractive remuneration package will be offered, reflecting the importance attributed to these roles.

Contact: Leslie Squires

SENIOR MARKETING EXECUTIVES
£highly negotiable

Our client is a major international bank. As a result of expansion within their lending department, senior executives are required with fluency in either Spanish or Portuguese. Candidates are likely to be graduates aged under 38 years with sound syndicated lending experience, preferably with formal credit training and who are broad technicians with innovative flair. An attractive remuneration package will be offered commensurate with experience.

Contact: Leslie Squires

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PART QUALIFIED ACCOUNTANTS
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Contact: Sarah Beaumont

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Contact: Felicity Hother

Anderson, Squires Ltd, Bank Recruitment Specialists
Blomfield House, 85 London Wall, London EC2M 7AE **01-588 6644**

Anderson, Squires

Assistant Fund Manager

Our client, a major U.K. industrial company, requires an assistant to work closely with the Investment Manager of its £130m pension fund. The Fund is managed in-house and the position will give the successful candidate broad experience in all aspects of investment. The position will be based in the company's London office.

Candidates, male or female, should have a degree or professional qualification and preferably two years experience in a financial institution.

The remuneration package will include a salary which will reflect the successful candidate's qualifications and experience, a non-contributory pension scheme, limited assistance with relocation (if required) and a season ticket loan.

If you wish to be considered for this position, please write (enclosing a full c.v.) to: Confidential Reply Service, Ref. ABA 883, Austin Knight Limited, Tricorn House, 51-53 Hagley Road, Edgbaston, Birmingham B16 8TP.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.

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UK Corporate Banking

Head Up Business Development

Neg. c.£40,000+car and banking benefits

This foreign bank, one of the world's largest, has already established a strong London presence and uses its global network of subsidiaries and affiliates to foster new business opportunities. Its current aim is to substantially expand its UK business and to achieve this has created a new position for a Head of UK Corporate Banking.

This is a tremendously challenging opportunity. Your main tasks will be business development through an active marketing programme and running the department. This will involve managing a professional business development team, responsibility for monitoring the loan portfolio as well as taking an active part in promoting good product development within the bank in London.

Aged 35-45 you are an experienced banker with an instinctive ability to develop business effectively in a very competitive environment. You will be analytical, determined, possess a thorough understanding of credit and with your extensive contacts in industry and commerce be capable of making an immediate contribution.

To proceed please write in confidence enclosing a CV or telephone Barbara Lord, Senior Consultant, Cripps, Sears & Associates Limited, Personnel Management Consultants, 88/89 High Holborn, London WC1V 6LH. Tel: 01-404 5701.

Cripps, Sears

F.X. CUSTOMER DEALER
ABOVE £25,000

PLUS BANKING BENEFITS

We are seeking a Customer Dealer for a key position in a leading market-orientated international bank. *The successful candidate will have the maturity and ability to advise and develop relationships with* major customers. A sound background of formal economics training coupled with exposure to dealing in US and major European currencies will be expected. Analytical and presentation skills are required and candidates should have proven ability to form market views for the medium and longer term.

Applicants should be aged over 25 years and have ability to make a positive contribution to an already successful team.

If you consider that your skills and experience will be of interest to our client in this important position please write to or telephone me, in strictest confidence to arrange an informal discussion. Derek A Burn, MCP Management Consultants, Halton House, 20 Holborn, London EC1N 2JD
Telephone: 405 9000.

MCP Consultants
Financial Sector Human Resources

Money Market Instruments

As a result of the further expansion of our activities in the area of money market instruments we are seeking a number of individuals, in their mid twenties, with sales and/or trading experience of Euronotes, C.D.'s and Floating Rate Notes.

Remuneration will be competitive and related primarily to experience. Initial salary will be reviewable at year-end.

Applications, which will be treated in the strictest confidence and should be accompanied by a full c.v., should be made to David Packham at:

Swiss Bank Corporation International Limited
Three Keys House, 130 Wood Street, London EC2V 6AQ.

KEEFE, BRUYETTE & WOODS, INC.
INSTITUTIONAL SALES

KBW has long been recognised as the leading Wall Street brokerage firm in the analysis of the U.S. banking industry. Our research on U.S. bank equities has been distributed in Europe for many years and is well known to the investment community. KBW has recently established a British subsidiary, called Keefe-Conning Associates, located in London.

We are looking for a stockbroker to work in our London office. Candidates should be well versed in financial theory, analytical and highly motivated. Ability to convey ideas both verbally and in writing is a prerequisite. Before joining the London team, sufficient time would be spent in our New York office.

The remuneration package is highly competitive.

Applicants should write or call in confidence to:

Philip J. Cuthbertson
c/o Keefe-Conning Associates
34-40 Ludgate Hill, London EC4M 7JT
Tel: 01-236 9821

Nationwide Building Society

Britain's third largest building society, with a branch network of more than 500 offices throughout the UK and assets approaching £10,000 million, invites applications for the position of

SECRETARY

which has now become vacant on the promotion of the former holder to Assistant General Manager.

Candidates should be in their early thirties with an honours degree or a professional qualification supported by a sound background in administration.

The Secretary is required to undertake the statutory and other related duties normally associated with company secretaryship in a manner consistent with the image of a forward looking organisation having an impressive record of development.

The appointment will carry a minimum commencing salary of **£19,500** per annum. A car will be provided and generous assistance will be given with house purchase. The successful candidate will become a member of the Society's BUPA Scheme and will be required to become a member of the Superannuation and Sickness Funds. In certain circumstances it is possible to transfer the benefit of existing pension rights.

Applications, giving full details of qualifications and experience should reach the address below by Friday, 17th May 1985. Envelopes should be clearly marked "Confidential Appointment."

Assistant General Manager (Personnel)
Nationwide Building Society
New Oxford House, High Holborn
London WC1V 6PW

INVESTMENT MANAGEMENT
£20,000

CAVIAPEN INVESTMENTS

which manages the assets of a major UK pension fund, is seeking an additional manager for part of its UK equity portfolio.

The successful candidate, male or female, is likely to be between 25 and 30, a graduate and/or professionally qualified and to have had several years' experience with a pension fund, merchant bank or other investing institution.

This will be a challenging and exciting opportunity for someone ready to assume considerable responsibility within a small and flexible team.

The salary envisaged is of the order of £20,000 per annum plus benefits. Please write to Neil Moore, Managing Director, Caviapen Investments Limited, 60/61 Trafalgar Square, London WC2N 5DS, enclosing curriculum vitae.

Outstanding career development for

Investment Analysts

with high ambition to £22,000

United Friendly is committed to developing its small, professional investment team which manages rapidly-growing funds currently standing at over £800m.

We are now seeking numerate graduates, preferably aged under 26, who have a relevant professional qualification and at least two years' experience in fundamental analysis within the research department of a large financial institution.

If you are looking for a demanding position, in either UK or overseas analysis, and a career where the speed of your advancement is geared solely to your own efforts...we can help you. Our policy is to promote from within wherever possible...and with our plans for growth, career prospects are excellent.

A starting salary in the range £15,500 to £22,000 will be supported by a range of benefits which includes subsidised mortgage facilities and private medical care.

Please send full personal and career details, including current salary, to Caroline Johnston, Personnel Officer, United Friendly Insurance plc, 42 Southwark Bridge Road, London SE1 9HE.

INVESTMENT EXECUTIVES

The West Midlands Enterprise Board was established three years ago to invest in locally based unquoted companies with good growth prospects and has already established itself as the largest source of development capital in the West Midlands. Individual investments vary in size between £100,000 and £750,000 and, *although start-ups will be considered, most tend to be in established* and expanding companies.

In order to cope with an ever increasing number of investment opportunities, we are currently seeking to increase our team by the appointment of two additional executives with wide-ranging business experience and strong commercial, analytical and communication skills. Reporting to the Chief Executive, the persons appointed will be responsible for the appraisal, structuring, submission and presentation of investment proposals, and subsequent implementation and monitoring.

The successful candidates can anticipate a remuneration package comprising an initial salary in the £16,000 to £20,000 per annum range, plus a generous car allowance and attractive pension scheme, and interested applicants are invited to write in confidence, enclosing a curriculum vitae, to *Geoff Edge, Chairman, West Midlands Enterprise Board Limited, Lloyds Bank Chambers, 75 Edmund Street, Birmingham B3 3HD.*

WEST MIDLANDS ENTERPRISE BOARD LIMITED

Financial Writer

City

Save & Prosper, one of Britain's leading companies in the field of financial services, is looking for an experienced Financial Writer.

As a member of the copy and creative team in our Marketing Department, you will be required to produce a wide range of promotional material, including brochures, leaflets and direct mail material, describing the full range of the Company's plans and services.

The ability to write persuasively with technical accuracy is essential as is previous experience of working in a financial environment.

You can expect an attractive salary and an excellent benefits package including free Life Assurance, non-contributory pension scheme and BUPA.

To apply, please send your CV in the first instance to Keith Nicholson, Save & Prosper Group Limited, Hexagon House, 28 Western Road, Romford, Essex RM1 3LB. Tel No: Romford (0708) 66966 Ext 3018.

SAVE & PROSPER

A direct line to the executive shortlist.

InterExec is the organisation specialising in the confidential promotion of Senior Executives.

InterExec clients do not need to find vacancies or apply for appointments.

InterExec's qualified specialist staff, and access to over 100 unadvertised vacancies per week, enable new appointments at senior levels to be achieved rapidly, effectively and confidentially.

For a mutually exploratory meeting telephone:

LONDON
19 Charing Cross Road, WC2
☎ 01-930 5041/8

BIRMINGHAM
The Rotunda, New Street.
☎ 021-632 5648

MANCHESTER
Faulkner House, Faulkner Street.
☎ 061-236 8409

BRISTOL 30 Baldwin Street.
☎ 0272 277315

EDINBURGH 47a George Street.
☎ 031-226 5680

LEEDS
12 St. Paul's Street.
☎ 0532 450243

InterExec

The one who stands out

INSTITUTIONAL SALES

A successful, independent, medium-sized UK firm requires an additional salesperson for their UK institutional sales team. The successful candidate will probably be under 35 and a *self-starter with several years'* broking experience. Candidates with a particular knowledge of the electrical/electronic and engineering sectors will be given preference.

Salary negotiable according to experience.

Write in confidence to Box A8984, Financial Times, 10 Cannon St., EC4P 4BY

INVESTMENT MANAGER

Investment Manager, with at least three years' experience, sought for a growing investment management group in Edinburgh. Excellent reward and career prospects for the successful applicant.

In the first instance write with full details, including education and career history to:

Box A8983, Financial Times
10 Cannon Street, London EC4P 4BY

Accountancy Appointments

Financial Accountant

Our client, a publicly quoted industrial group with a turnover in excess of £70m., has traded profitably throughout the recession and is currently expanding.

They now seek a Financial Accountant to work closely with the Group Chief Accountant in controlling the financial affairs of the Group. You will be located at their small Head Office in the North Home Counties from which around twenty decentralised subsidiary companies in the UK and overseas are controlled.

Candidates should preferably be recently qualified ACAs, whose track record would justify a salary of c.£14,000, plus appropriate benefits, including relocation where appropriate.

In the first instance, please write enclosing your cv to Brian Page, Director, Personnel Advertising Limited, 30 Farringdon Street, London EC4A 4EA, quoting ref GRS 751. All replies will be passed to our client unless we are advised of companies to which your papers should not be sent.

PERSONNEL ADVERTISING LIMITED

Group Finance Director

Southern Home Counties **c.£35,000 + car**

We are a substantial and rapidly expanding, private engineering group of companies engaged in manufacturing, civil engineering and contracting worldwide.

Following the retirement of our Finance Director, we now seek his successor who will work closely with the Group's entrepreneurial Chairman and the Board in maintaining tight financial and treasury management, and in achieving ambitious growth objectives which include: the expansion of the Group's existing operations; further acquisitions; and a stock-exchange listing in the short-to-medium term. The finance function is well organised and staffed, and uses computer-based systems extensively.

Candidates should be qualified accountants, preferably in their early 50s, with wide experience at a senior level in engineering or contracting concerns with substantial overseas business. Those with experience of introducing a company to the stock exchange or the USM, and with the ability to negotiate major overseas contracts, raising the necessary finance and controlling the Group's currency exposure worldwide, are most likely to meet the requirements of this challenging post. The rewards comprise a salary negotiable around £35,000 pa plus benefits appropriate to a position at this level.

Please write with full details to D F White, Group Personnel Director, Biwater Group Limited, Biwater House, Station Approach, Dorking, Surrey RH4 1TZ.

Biwater Group

Finance Director

c £40 K negotiable

For a multi-million pound turnover company, manufacturers and exporters of prestigious high technology equipment, with around 800 employees and 10 regional offices throughout the UK.

Reporting to the Managing Director and part of a small management team, the successful candidate will be expected to make a significant contribution to the overall running of the company at a crucial stage of its development. Responsibilities will include financial administration and improvement of integrated management reporting and information systems, accounting, D.P. and treasury functions.

Eligible candidates will be graduate Chartered Accountants, ideally aged around 40, experienced in US accounting methods gained in a major multi-national, with a proven record of success and previous involvement in decision making at a senior level in industry. The successful candidate's current salary will not be less than £25K p.a.

Benefits will include generous re-location assistance, a company car, executive pension scheme and BUPA.

Applications in strict confidence with full CV to Brian G. Luxton, Director, under ref: 6773.

Mervyn Hughes Alexandre Tic (International) Ltd.
Management Recruitment Consultants

MH AT

37 Golden Square, London W1R 4AN.
01-434 4091

Treasury Manager

Cash management operations

Part of one of the largest and most successful food companies in the world, the Nabisco Group, holds an unrivalled position in the UK cereals, biscuits and snack foods markets. Our strength is reflected by a turnover of more than £400 million and profits that have increased year after year.

Committed to improving our corporate standing even further, we now plan to recruit an ambitious, enterprising qualified Accountant for this new role within our Treasury Department.

Reporting to the Group Treasurer your duties will include managing surplus funds to create a perceived profit, developing computerised reporting systems and controlling bank records contacts.

Probably aged 28-35 and preferably working in the Treasury Department of an American or multi-national company, your background must demonstrate experience of third party activity and balance sheet exposure. Your flexibility and versatility will enable you to create opportunities to progress within both the Treasury Department and the Nabisco Group.

A salary of c.£20,000 is supported by excellent company benefits which include a quality company car and relocation expenses.

Please write with full personal and career details, or ring for an application form, to Alistair Dawson, Director - Human Resources, Nabisco Group Limited, 121 Kings Road, Reading, Berks. Tel: (0734) 592605.

NABISCO GROUP

International Banking Accountants

Newly qualified: package to c £16,000 **With p.q.e: package to c £22,000**

Our client is a major American commercial bank with an expanding presence in all areas of banking. A strategic policy of growth and achievement has created the need for a number of accountants, from recently-qualified to senior level, to take an active role in the monitoring of this progress.

Based in North Kent and reporting to management at a senior level, these key roles will entail responsibility for operational review, with particular emphasis on systems evaluation and profitability analyses, both in the UK and overseas.

Candidates, aged 25-35 will ideally be graduate ACA's with previous experience of auditing, either in a banking environment or with a "Big 8" professional firm. A positive personal approach, self motivation, as well as good communication and man-management skills are the qualities required for these challenging positions. Working knowledge of a second language would be an advantage.

Excellent prospects exist on an international level and the salary packages, depending on experience will be enhanced by banking benefits and a discretionary bonus.

Interested candidates should telephone Mark Brewer on 01-242 0965 or write to Don Day FCA, Executive Division, enclosing a comprehensive curriculum vitae, quoting ref 239, at 31 Southampton Row, London, WC1B 5HY.

MP

Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney

Supervisor of Finance EUROPE

Northwest Orient Airlines – one of the USA's largest and most consistently profitable airlines – is seeking a capable financial manager to assume the newly created position of Supervisor of Finance for Europe.

The airline has a record of over half a century of financial success and stability, and in 1984 won the Financial Management Award given by the international journal, Air Transport World. The person appointed must have the qualities to maintain these high standards.

The successful applicant will be based at our Atlantic Region headquarters near Gatwick Airport and will report to the Manager of Finance and Administration. Responsibilities will include the management of all corporate financial activities in Europe, Africa, and the Middle East, including the functional co-ordination and supervision of all accounting personnel in all the countries of our Atlantic Region.

The ideal candidate will have a university degree and 2-5 years of previous experience in financial management, providing a solid foundation in finance and accounting. Previous airline experience is not essential but applicants will be expected to demonstrate good initiative and an energetic, enthusiastic work attitude.

Company benefits include non-contributory pension and medical schemes, as well as a generous range of other benefits in keeping with our status as a major US airline. Salary commensurate with experience.

Please apply in writing, with a full CV, to:

Supervisor of Personnel & Administration
NORTHWEST ORIENT AIRLINES
Atlantic Regional Office
Airlink House, Hazelwick Avenue
Three Bridges, Crawley
Sussex RH10 1YS

NORTHWEST ORIENT

Financial Controller – Director Designate

c.£20,000 + car **Mid Bucks**

Our client, a £30m. turnover subsidiary of a major public concern, is a diverse operation involved in the production and marketing of food products, mainly to the major supermarket multiples.

Reporting to the Managing Director, this Board-level appointment has responsibility for providing a full accounting and administrative service to a complex business. This will include the control and development of a sophisticated management information system based on DEC equipment.

Probably aged 30 to 40, you will be a qualified accountant with good all round ability gained at a senior level within a commercial environment. Experience must include the development of computerised systems and the operation of tight financial controls. The ability to contribute to the general management of the business and strong commercial awareness are important qualities.

Attractive benefits include negotiable salary, executive car, BUPA and, where appropriate, generous relocation assistance.

Please write – in confidence – with full career and salary details to Peter Evans ref.B.49286.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited,
52 Grosvenor Gardens, London SW1W 0AW.
Offices in Europe, the Americas, Africa, Australasia and Asia Pacific.

HAY-MSL
MANAGEMENT SELECTION

Financial Controller

Central London **c£23,000 + Car**

Applications are invited from qualified accountants, ideally aged 32 to 40, who currently hold a senior financial management position within a manufacturing environment and who possess in-depth process costing knowledge.

Your role will be as Financial Controller of a newly created division of a large international group. Companies within the division manufacture and market processed food products with an annual UK turnover of about £100 million. Working closely with the Marketing Controller as part of a small team reporting to the Chief Executive, your challenge will be to improve and develop all financial and accounting controls and activities within each of the self-accounting units of the Division. There will be particular emphasis upon creating financial awareness as well as an improved sensitivity to market needs and the identification of market opportunities.

This newly created appointment is an exciting opportunity for a dynamic, innovative accountant who wishes to contribute significantly both to strategic development and day-to-day management. There are real opportunities for career development in the Group, which has international interests in the production, marketing, wholesaling, and retailing of food, as well as shipping, insurance, property and other industries. Our client employs more than 30,000 people worldwide. Turnover exceeds £1,000 million p.a.

The excellent remuneration package, which is genuinely negotiable, includes a fully expensed two litre car. Generous relocation assistance can be provided.

Write or telephone in confidence (naming any firms which you would not wish to be put forward to) Nicolas Mabin, Regional Manager, quoting reference: LG1090.

Management Personnel
Recruitment Selection & Search
2 Swallow Place, London W1R 7AA.
Telephone: 01-408 1694 (out of hours 01-808 2783)

ACTUARY/STATISTICIAN
LAKE DISTRICT

Provincial Insurance can offer an interesting and stimulating opportunity to a part qualified or nearly qualified actuary with experience of or an interest in, general actuarial work to fill a senior position in the Company's general insurance statistical section.

The work has considerable scope and will entail the continued development of analytical processes, as well as supervision of various other facets of the section.

The salary will attract the right applicant and will be coupled with a generous range of fringe benefits.

Please apply, in writing, giving full details of experience to:– F. W. Child, Assistant General Manager,

Provincial Insurance
Public Limited Company.
Stramongate, Kendal,
Cumbria LA9 4BE.

Chief Accountant

Retailing **£18,300, plus car.**

This is a new appointment in one of Britain's largest, multi-outlet retailing companies in its field with sales of c. £350m. The encumbent reports to the Financial Director and through the motivation and direction of an established department will be responsible for all aspects of financial and management accounting, capital budgeting and stock accounting in a quick turnover business. He or she, will have the skills to work closely with the DP Department in initiating and continuing the development of systems. Location – Middlesex.

Candidates, aged 29 – 45, must be Chartered Accountants with management experience of a sizeable finance department in a fast reacting business, preferably in the FMCG retail trade. A fully committed and disciplined professional and management style will be essential.

Starting salary as above with car, pension and other useful benefits. Please write in strict confidence with brief, relevant career details to the company's adviser, H. C. Holmes at:

Hugo Holmes Limited,
42 Colebrooke Row,
London N1 8AF.

Financial Controller

City **c£20,000 + Car**

Our client, an international commodity trading company and part of a highly successful publicly quoted group with interests world wide, now requires an ambitious accountant to control its finance and administration functions.

Reporting to the Chief Executive, this is a key position which should lead to an early board appointment. There will be considerable commercial involvement including liaison and negotiation with other trading houses and City financial institutions. The review of procedures and strengthening of controls in a fast moving commodity based environment plus the identification of opportunities for the introduction of additional computerised systems are central to this position.

Experience of international trade is important and applicants, preferably 28-45, should be qualified accountants with a keen business sense and excellent management and administration skills.

Interested applicants should write, enclosing a full C.V. and quoting reference number 10/152, to:

AGB Recruitment
173 Sloane Street, London SW1X 9QG
Telephone: 01-235 9891
A member of the AGB Group of companies

Accountancy Appointments

Financial Director

Central London **£25,000 + Car**

Our client is one of the top design-for-retail companies in the UK. Young, aggressive, well-controlled and highly creative, its turnover and profit growth have been explosive. It now needs a similarly talented Financial Director who will take charge of all financial and Secretarial functions and help the company to the USM.

The successful candidate will probably be aged early 30's upwards, qualified ACMA, and have experience in and sympathy for a creative environment. Developed commercial awareness will complement a City familiarity and the experience of growing a fully computerised Accounts department alongside a business in which almost nothing is standard.

The atmosphere is intellectually hard, stimulating and rapidly developing. The appointee will have the resilience and strong persuasiveness to thrive in and contribute to this atmosphere. In return, the prospects for growth will be exciting. Other benefits will include private medical insurance and could later include share options. Assistance will be given with necessary relocation expenses.

Letters of application, together with CV, salary progression and any other relevant data should be sent without delay to Mr. C.A. Cotton, Executive Recruitment Division, Stoy Hayward Associates, 8th Floor, Peter House, St. Peter's Square, Manchester, M1 5BH, quoting ref. M 701.

Stoy Hayward Associates

MANAGEMENT CONSULTANTS

A member of Horwath & Horwath International

Financial Controller

South Wales **£23,000 plus car and bonus**

For a division of a multi-million pound Group with diverse interests in the manufacture, import and export of a nationally-known range of consumer products.

You will report to the Divisional Managing Director and be responsible for finance, costing and management information. Your work will involve extensive contact with senior marketing and production management, and there will be a real opportunity to contribute to the commercial direction of the business.

Probably in your thirties, you will be a qualified accountant with industrial experience gained in a substantial manufacturing company. Relocation assistance will be available.

Write in confidence to EH Simpson, quoting ref. S397, at 10 Bolt Court, London EC4 (telephone 01-583 3911).

Chetwynd Streets

Management Selection Limited

roadline require

FINANCIAL CONTROLLER

(S.E. Midlands)

c. £19,000 + Car + Bonus

Roadline UK Limited, is one of the country's leading Parcels carriers. In response to growing customer demand for faster and more reliable services, the company has recently restructured its operation and now requires a Financial Controller.

The *successful applicant* will be primarily responsible for the provision of a full range of financial and management accounting services to the company's Managing Director and his team. As a member of that team, he will also be required to contribute to the company's general management and development. He will also be concerned with the standardisation of Accounting systems and the development of the next generation of management in information and parcels operating systems.

Candidates, male or female, should be professionally qualified Accountants, able to demonstrate a broad experience in financial control, combined with the communications skills necessary to tackle this wide-ranging and demanding job. *It should appeal particularly* to applicants seeking their first post as departmental head.

Conditions of employment are first class and include Index-linked Pension arrangements and Share purchasing facilities. Career prospects are excellent both within the company and its parent body, the National Freight Consortium, *which is employee-owned.*

Please apply, with full CV., to:

G. E. JENKINS, ROADLINE UK LIMITED

THE MERTON CENTRE, 45 ST PETER'S STREET, BEDFORD MK40 2UB

Roadline UK Limited, a member of the employee-owned NFC National Freight Consortium p.l.c.

All new employees have the opportunity to buy shares in the Consortium.

We're making it the best in the business

MANAGEMENT ACCOUNTANT

London, E.C.1. **to £15,000 + Benefits**

Our client, part of a highly profitable independent public quoted group whose established product range is continually in demand, is seeking a Management Accountant.

The role involves the production of corporate budgets, cash flow forecasts, monthly management accounts, and arises as a result of rapid growth and internal reorganisation.

The successful candidate will be a qualified accountant, aged 25–28, who has the ability to conceive and implement ideas and possesses the confidence to influence decisions at all levels.

If you believe you have the attributes to meet this challenge, then telephone **Caroline Benton or Judith Richardson on 01-836 9501** or write, enclosing your CV, to our London office, quoting reference number **5235.**

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
113/115 George Street, Edinburgh EH2 4JN. Tel: 031-225 7744
Brook House, 77 Fountain Street
Manchester M2 2EE. Tel: 061-236 1553

DOUGLAS LLAMBIAS

Douglas Llambias Associates Limited
Accountancy & Management
Recruitment Consultants

INTERNAL AUDITOR

A wider finance role on a European scale

Ford seek a professional Internal Auditor looking for a broader finance role with the automotive industry to join our European Audit Operations Department, located at our Central Office in Brentwood, Essex.

The successful applicant will be part of the team engaged in a programme of accounting and internal control audits. The wide variety of work will relate to most financial aspects of Ford's activities in the UK and other European countries.

It will be your responsibility to play an active role in our challenging environment, adapting to fast-moving, highly competitive, international business. This will call for the ability to operate efficiently under pressure and exercise your communication skills with colleagues within the finance function as well as senior Ford Management.

Our need is for a successful man or woman in their mid 20's with a good finance degree or equivalent. A recognised accounting qualification would be preferred, although a part-qualified candidate would be considered. We'll expect you to have at least 3 years' experience gained either in industry, private practice or large accounting firm. There, you will have acquired a sound knowledge of auditing procedures and, ideally, experience of working with systems.

Prospects for advancement within the company are significant. We offer an initial salary of up to £13,100 pa, depending on experience, plus Ford's car purchase scheme and the outstanding Ford benefits package, which includes relocation assistance where appropriate.

Please write or telephone for further details to Simone Berisford-Ince, Room 1/578, Ford Motor Company Limited, Eagle Way, Warley, Brentwood, Essex CM13 3BW. Tel: (0277) 253412/14.

Ford

Dixons

Group Financial Executive

North London **c £21,000 + car**

Exceptional profit growth and the successful acquisition of Currys has brought the market capitalisation of this dynamic and rapidly expanding group to over £550m. Sales turnover per annum is in excess of £750m and the group now trades out of nearly 850 retail outlets; other activities include property, investment, photoprocessing and distribution.

A high calibre financial executive is now required to maintain close liaison with the operating subsidiaries. Reporting to the Group Financial Controller, the role will include:-

- ★ Monitoring subsidiary financial performance
- ★ 3 year planning and forecasting
- ★ Acquisition analysis, tax planning and financial projects
- ★ US financial reporting and UK consolidation
- ★ Close liaison with the group's professional advisers

The successful candidate, age 26-30, must be a graduate Chartered Accountant, with first class analytical skills and ideally two years post qualification experience. Career prospects within the group are exceptional and the remuneration package will include a car, share option scheme and assistance with relocation if necessary.

Applicants should write to Andrew Sales FCCA, Executive Division, enclosing a comprehensive C.V., quoting ref: 243 at 31 Southampton Row, London WC1B 5HY.

MP

Michael Page Partnership

International Recruitment Consultants

London Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney

Management Consultancy

London **Negotiable salary plus car**

We are the London based practice of an International firm offering a wide range of consultancy services to industrial, commercial and public authority clients in the UK and overseas.

We would like to hear from qualified accountants aged 28 to 40 who have practical experience in industry, commerce or the profession at management level, particularly in the following areas:

Financial Planning and Control
Management Information Systems
Feasibility Studies and Investigations
Corporate Planning and Marketing

Previous consulting experience, though not essential, would be advantageous.

Please write in confidence with full curriculum vitae stating present salary and quoting reference 60 to:

Peter Childs, Director,
Pannell Kerr Forster Associates,
New Garden House,
78 Hatton Garden,
London EC1N 8JA.

Pannell Kerr Forster Associates

MANAGEMENT CONSULTANTS

Financial Controller

N.W. London c £22,000 + car

Our client is a significant company in the Video industry, with a turnover in excess of £28m employing over 200 personnel.

The company markets and distributes an impressive catalogue of Home Movies, many of which are household names.

Reporting to the Financial Director, the Financial Controller will assume immediate line responsibility for the financial, accounting and Data Processing departments.

It is essential that the appointee possesses a high level of administrative skills and be capable of implementing improved systems to provide accurate information to deadlines.

The role is demanding, requiring a lively personality to work at high speed and accustomed to liaising with line managers in a dynamic, exciting environment.

Please reply in confidence quoting reference JN/981.

BARCLAYS EXECUTIVE APPOINTMENTS,
1 Pembroke Road, Ruislip, Middx. HA4 8NQ.
Telephone Ruislip 72654 (24 hours).

Hoggett Bowers

Executive Search and Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR

Group Financial Accountant

Young Graduate with Director Potential

South Yorks, c.£15,000 + Relocation

The client is the major subsidiary of a large international Manufacturing Group, which is a leader in its field. This autonomous profitable subsidiary, having an annual turnover of approximately £70 million, requires an ACA aged 27–35 to manage, control and develop the Financial Accounting area. The post will appeal to a graduate who qualified with a major practice, and has experience in large manufacturing, process or engineering companies.

Reporting to the Finance Director, responsibilities will include maintenance of cash recording, sales, purchase ledger and nominal ledger, management of 20 staff, systems development, credit control, foreign currency transactions and forward cover and cash forecasting. There are unlimited group prospects and excellent career opportunities, hence the need for a high flyer capable of bigger things.

The benefits include those normally associated with a major Group.

P.A. Adderley, Ref: 11644/FT. Male or female candidates should telephone in confidence for a Personal History Form 0532 448661, 7 Lisbon Square, LEEDS, LS1 4LZ.

Commercial Property Development

FINANCE DIRECTOR

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HOSPITAL OF ST. JOHN & ST. ELIZABETH

UNDER THE CARE OF THE SISTERS OF MERCY

TECHNOLOGY

EDITED BY ALAN CANE

Unilever plugs into General Motors data network

ELECTRONIC DATA Systems (EDS), the U.S.-based computing systems integration and management company, appears to be well on the way to building the largest private managed telecommunications network in Europe.

It has just completed a £2.5m private digital communications network in the UK, initially for use by Unilever.

The system will form the backbone of a multi-client UK network which will link to a multi-country network service called EDS-Net.

Unilever Computer Services (UCSL) was acquired by EDS late last year, along with 375 staff and business thought to be worth about £16m.

EDS is owned by General Motors which bought it last June for $2.5bn in a move to rationalise its computing work into a single subsidiary and to exploit markets outside the corporation.

EDS is currently absorbing all the computing staff from GM subsidiaries like Vauxhall (380 people) and Opel, and employs more than 25,000 people worldwide.

It reported an annual turnover of $830m for 1984 and claims to have become the world's largest data processing service company.

Its business is to assume complete responsibility for, and manage on a long-term contractual basis, the large scale computing operations of large organisations. For example, it has a 10-year contract with the U.S. Department of Defense worth $650m, which includes training 60,000 people in the operation of the system.

According to the chairman of EDS international division, Mr Gary Fernandes, the UK network is the first to be managed for a company of Unilever's size by an outside party.

EDS expects to expand rapidly. In the UK it already employs several hundred people, is hiring about 80 professionals a month and expects to reach 1,500 within 18 months.

Data centres are in place in Rotterdam and Woking and others are planned for Frankfurt and Russelsheim. An international headquarters site north of London is planned which will also house a further data centre.

Unilever's previous analogue telephone network was a major private system and conversion to digital working doubles the

Mr Gary Fernandes: Chairman of EDS international division

capacity of the network to 35,000 calls a day (or the data equivalent).

A core of 15 switching centres will serve the network which is linked by 29 two megabit/sec BT Megastream lines. Computer switching and control can re-route calls over the network automatically in the event of a line problem. Together with SL-1 private automatic branch exchanges (PABX) provided by GEC Reliance (made under licence from Northern Telecom), the network is able to provide data channels at 64 kilobits a second between most of the locations.

From a network management centre in London, EDS is able to diagnose network faults instantly. The centre will also use computerised call logging equipment that can compile a detailed analysis of network use and cost effectiveness at individual sites.

Apart from the usual modern PABX features now available, users in the future will be able to use electronic mail, access data services and employ voice mailbox (which is like electronic mail but leaves spoken messages in "mailboxes"). As in normal electronic mail, the box can then be accessed by authorised users.

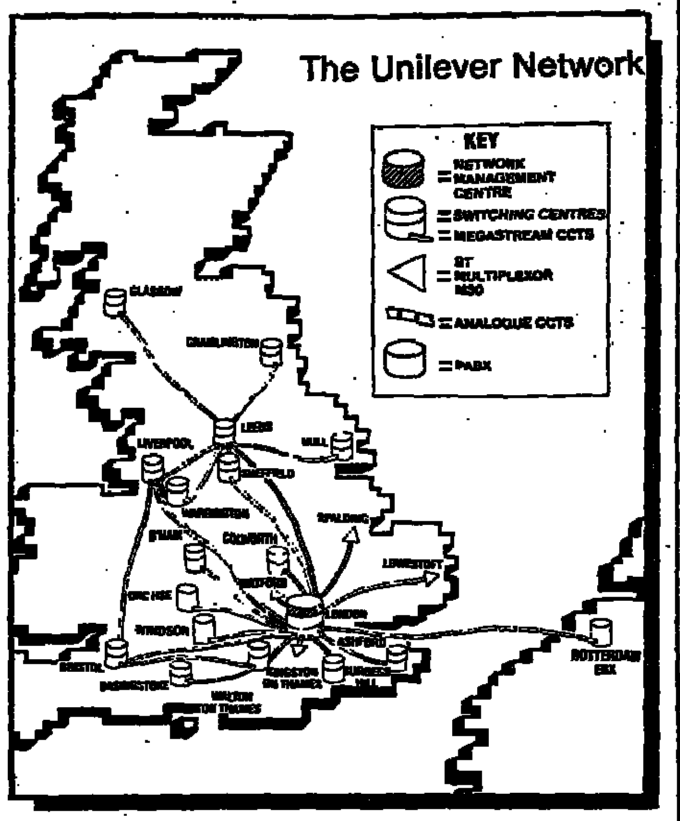
The EDS approach goes well beyond the provision of managed computing power. It will provide complete access for client companies' executives where needed, via suitable terminals and desk top machines.

It will also be taking an interest in the factory automation business. Mr Ron Hudler, vice-president, Europe and Africa, points out that a computer-aided design and manufacturing (CAD/CAM) operation of over 700 people has been moved from GM into EDS. So has GM's MAP (manufacturing automation protocol), a data communications system which embraces European standards for "open" systems.

CAD development in GM has been basically self-generated—no acquisitions of CAD companies have been made. However, the GM teams have taken a "solid model" approach to CAD to allow quick development of the "sculptured" surface of car bodies. Now the company is more actively developing line draughting software and by August it expects to be offering CAD/CAM packages in Europe—it apparently will be going into competition with companies like Computervision and GE's Calma.

But Mr Hudler emphasises that the GM suppliers will be approached first. Asked if they will be "required" to use GM CAD/CAM, he simply said he believed EDS would be able to offer better software than anyone else.

Geoffrey Charlish



Hardware for food packaging

PACKING OF foods in controlled atmospheres may be made easier with a new set of hardware from Keyes Fibre, of Cobham, Surrey, which permits the pumping of gases into food trays under automatic control in warehouses or supermarkets.

Air enclosed in the trays is first withdrawn to be replaced by a mixture of gases supplied from a bottle. The gases (normally specific concentrations of oxygen, nitrogen and carbon dioxide) give a longer shelf life to items such as meat, cheese and bakery products.

Laser monitor

THE Machine Tool Industry Research Association in Macclesfield, England, has started a calibration service in which lasers monitor specific points in machine tools, cutting edges for instance, to assess their accuracy.

The service should enable tools to be calibrated to meet the requirement of a new British Standard, BS 4656, Part 16, which is concerned with the repeatability of numerically controlled machine tools.

Switched on

DELTA CONTROLS of East Molesey, Surrey, is selling a set of sensors based on fibre optics that control pressure, temperature or flow rate of fluids. The units comprise sensing devices which operate optical microswitches, linked by optical cables to electro-optic relays.

The microswitches require no external power supply and should be safe in hazardous areas (for example in the hold of an oil tanker) in which electrical switching could trigger an explosion in a flammable material.

Why Lloyds staff bank on interactive video

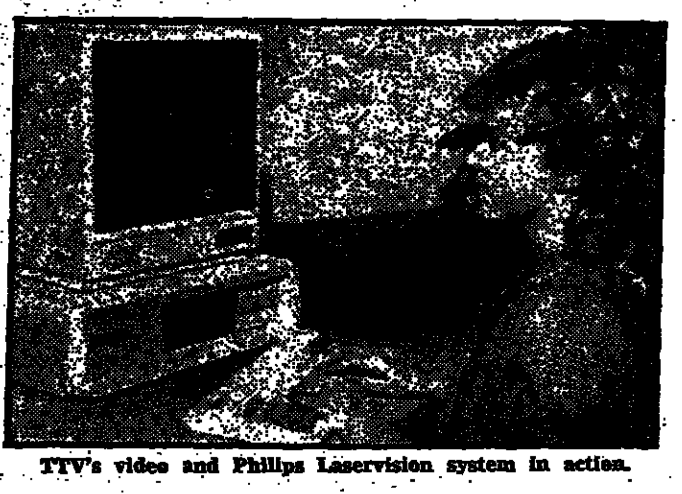
LLOYDS BANK'S decision to spend £4m on interactive video for training its staff may represent a turning point for a technology which, despite its obvious potential, has so far been relegated to industrial experiments and the amusement arcade.

Interactive video combines the power of the laser video disc with the control of the personal computer. Individual images or sequences can be called to the screen and matched to text written on to the screen. Questions can be asked and answered.

It is a natural training tool for almost any activity — driving a car for example.

A short visual sequence could illustrate the correct way to take a corner. If the learner should get it wrong, however, the player will switch instantly to sequences showing the car mounting the kerb, hitting lamp-posts and so on.

Less dramatically, Lloyds expects to use it in the first instance to illustrate the skills of cashiering. It decided to invest in a system built by Teletape Video (TTV) and using Philips Laservision players, at least partly because of the advanced technology TTV has incorporated in its system.



TTV's video and Philips Laservision system in action.

Mr Tony Maclaren, manager of TTV's information technology division believes it is ahead in five respects.

First, programmes written for the system run independently of the type of videodisc player used. It has a "look-up" table of player types in its memory together with a list of the basic instructions needed by each—go, stop, fast forward and so on.

These are all the instructions it gives the player. It bypasses the player's own controls, keeping in its memory a simulation of the video disc and the number of each picture frame.

Second, any authoring system (software enabling a writer to create an interactive video instruction package) can be used as long as it conforms to the IBM Personal Computer working environment—in other words, as long as the computer operating system is PC/DOS or MS/DOS.

Third, programme in either the US NTSC or the European PAL colour formats will run on the system through clever software which automatically translates PAL programmes into NTSC coding.

Fourth, although low cost, low definition monitors are used in the system, the text overwritten on to the pictures (and synchronised with the images through a system called "genlock") appears to be high definition.

The technique is to set the computer to write a character slightly larger than the actual character into the picture, creating a hole which can then be filled with a computer generated character. The character therefore has a slight black edge which gives the impression of high resolution. The standard 80 characters per line can easily be read.

Fifth, Mr Trevor Stockill, who designed the electronics behind the system has developed a technique for fading and dissolving screen images, one to another.

Conventionally the picture jumps abruptly as the laser head reading the disc moves from one area to another.

Stockill uses four internal registers (picture memories) each allowing 255 discrete steps to give the impression of fade and dissolve.

TTV will provide a complete custom-built terminal for about £3,500.

Alan Cane

Automatic system out for hardening steels

AN AUTOMATIC system for hardening steels, able to prolong the life of metal removal tools by up to 20 times, has been developed by Carbide Impregnation, a new subsidiary of Atlas Broach and Tool company, of Hemel Hempstead.

According to CI's managing director, Mr Chris McCullough, carbide impregnation, an established but little known technique, is labour intensive, cumbersome to apply and gives inconsistent results using the manual systems currently available.

A tiny electric arc is drawn between a carbide electrode and the workpiece and is moved around to cover the required area. During arcing, carbide molecules penetrate the steel surface to depths of 0.0006 in to 0.0012 in

To get consistent results, electrode clearance from the workpiece, speed of movement of the electrode and arc voltage and current have to be carefully controlled. In addition, the electrode motion has to be programmed to traverse the desired areas of the workpiece once only.

Mr McCullough saw early in the development that the answer was to use a microprocessor controller. He called in Ruston Electronics of Luton to design the necessary electronics and the result is an easily used system that Carbide Impregnation expects to market in a few weeks' time at a price between £3,000 and £5,000.

He emphasises that the result is not a coating — the impregnation is an integral part of the steel and cannot peel off. It is however, extremely hard — steel of 63 Rockwell hardness can typically be improved to 80 Rockwell.

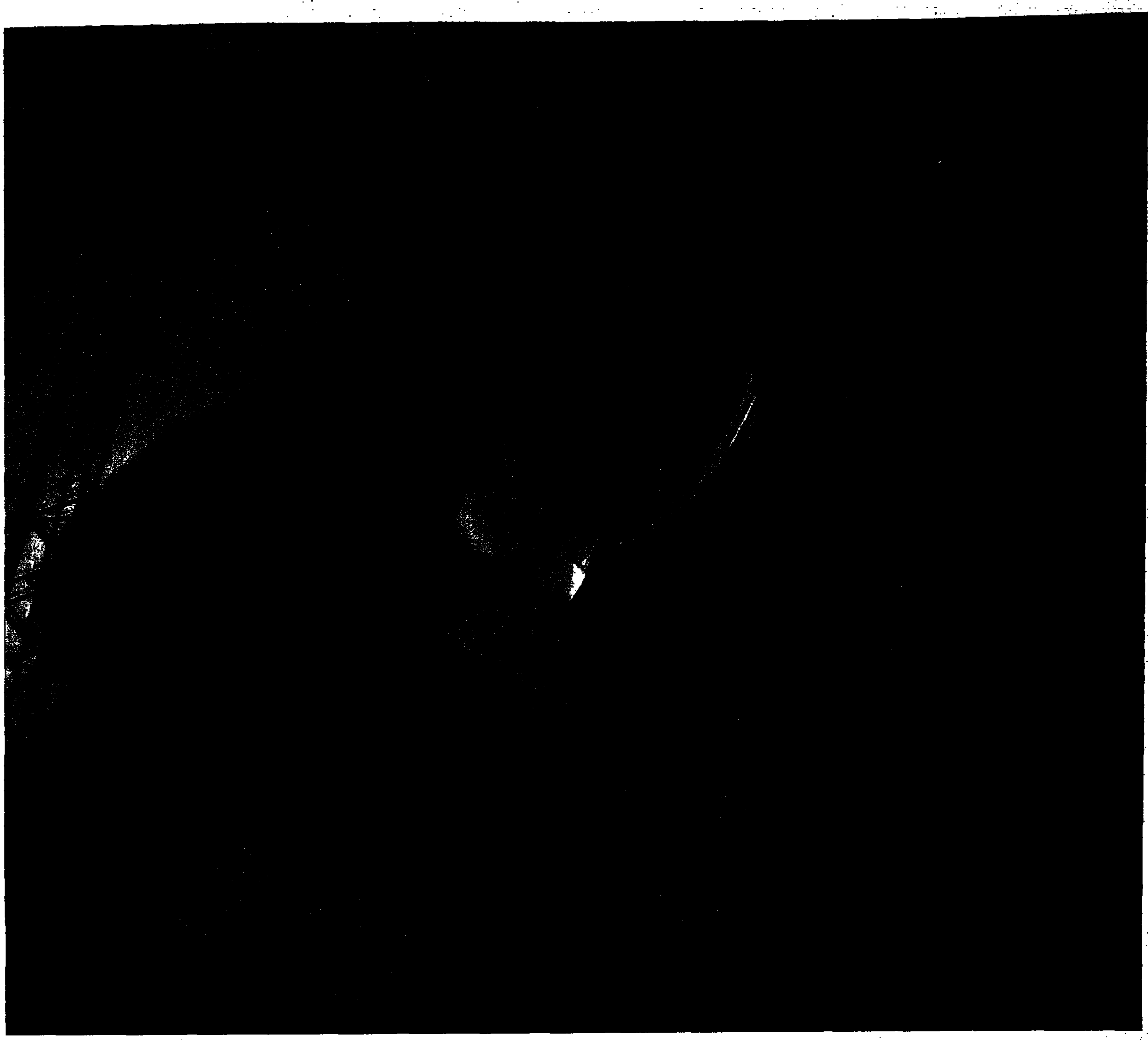
The life of cutting and press tools can be prolonged by up to 10 and 20 times respectively. The process adds only 10 to 15 per cent to the cost of a cutting tool.

G. C.

BASE LENDING RATES

A.B.N. Bank	12¾%	Hongkong & Shanghai	12¾%
Allied Irish Bank	12¾%	Johnson Matthey Bkrs.	13 %
■ Henry Ansbacher	12¾%	Knowsley & Co. Ltd.	13¾%
Amro Bank	12¾%	Lloyds Bank	12¾%
Associates Cap. Corp.	14 %	Edward Manson & Co.	14 %
Banco de Bilbao	12¾%	Meghraj & Sons Ltd.	12¾%
Bank Hapoalim	12¾%	Midland Bank	12¾%
BCCI	12¾%	■ Morgan Grenfell	12¾%
Bank of Ireland	12¾%	Mount-Credit Corp. Ltd.	12¾%
Bank of Cyprus	12¾%	National Bk. of Kuwait	12¾%
Bank of India	12¾%	National Girobank	12¾%
Bank of Scotland	12¾%	National Westminster	12¾%
Banque Belge Ltd.	12¾%	Northern Bank Ltd.	12¾%
Barclays Bank	12¾%	Norwich Gen. Trust	12¾%
Beneficial Trust Ltd.	13¾%	People's Trust	14 %
Brit. Bank of Mid. East	12¾%	Provincial Trust Ltd.	13¾%
■ Brown Shipley	13 %	R. Raphael & Sons	12¾%
CL Bank Nederland	12¾%	P. S. Refson	12¾%
Canada Permanent	12¾%	Roxburghe Guarantee	13¾%
Cayzer Ltd.	12¾%	Royal Bank of Scotland	12¾%
Cedar Holdings	14 %	Royal Trust Co. Canada	12¾%
■ Charterhouse Japhet	12¾%	■ J. Henry Schroder Wagg	12¾%
Choulartons**		Standard Chartered	‖12¾%
Citibank NA	12¾%	TCB	12¾%
Citibank Savings	¶12¾%	Trustee Savings Bank	12¾%
Clydesdale Bank	12¾%	United Bank of Kuwait	12¾%
C. E. Coates & Co. Ltd.	13¾%	United Mizrahi Bank	12¾%
Comm. Bk. N. East	13 %	Westpac Banking Corp.	13 %
Consolidated Credits	12¾%	Whiteaway Laidlaw	13¾%
Co-operative Bank	*12¾%	Williams & Glyn's	12¾%
The Cyprus Popular Bk.	12¾%	Wintrust Secs. Ltd.	12¾%
Dunbar & Co. Ltd.	12¾%	Yorkshire Bank	12¾%
Duncan Lawrie	12¾%		
E. T. Trust	13 %		
Exeter Trust Ltd.	13¾%		
First Nat. Fin. Corp.	13¾%		
First Nat. Secs. Ltd.	13¾%		
■ Robert Fleming & Co.	12¾%		
Robert Fraser & Ptns.	13¾%		
Grindlays Bank	‡12¾%		
■ Guinness Mahon	12¾%		
■ Hambros Bank	12¾%		
Heritable & Gen. Trust	12¾%		
■ Hill Samuel	§12¾%		
C. Hoare & Co.	12¾%		

■ Members of the Accepting Houses Committee.
* 7 day deposits 9¼%, 1 month 10¼%. Top Tier—£2,500+ at 3 months notice 12¼%. At call when £10,000+ remains deposited.
‡ Call deposits £1,000 and over 9¼% gross.
§ 21-day deposits over £1,000 10¼%.
¶ Mortgage base rate.
** See Provincial Trust Ltd.
§ Demand deposits 9¼%.



THE MANAGEMENT PAGE: Marketing and Advertising

EDITED BY CHRISTOPHER LORENZ

LAST WEEK one small commercial radio station called in the receiver. In itself not a portentous move perhaps—it was only the second station to do so in independent radio's 11-year existence in the UK—but Gwent Broadcasting's fate serves to concentrate the advertising mind, besotted as it is with television, on the problems facing its unfashionable broadcasting brother.

When television sneezes, radio *catches a cold*, goes the industry wisdom. The current widespread downturn in advertising revenues, causing traumas in television circles, is magnified in most of the 46 commercial radio stations. The big squeeze is on and though it's hard to judge how deep the recession is biting, some pundits including radio-watcher John Terris, of Chris Ingram Associates, the media independent, fear there's a real danger that others will go under unless steps are taken fast to generate new revenues. One or two stations are known to be *teetering* on the brink, some are trading at a loss, though, according to the Association of Independent Radio Contractors (AIRC), some are announcing record profits.

Pressure is coming not only from breakfast television and from the impending arrival of further cable, but also from within the medium itself with the Government's proposals for community radio and Independent National Radio.

Like television, radio revenues coasted through early 1984, dipping in the last quarter when a 9 per cent revenue growth on 1983 fell to 1.5 per cent to show a yearly growth of 7 per cent, half of what was expected. January and February 1985 showed a 7 per cent drop and 1 per cent rise respectively with March falling by 8.5 per cent on 1984.

Commercial radio is a "small" medium in revenue terms only. It generates 2½ per cent of *total display advertising revenue* (£75m in 1984) putting it well behind the big three, TV, Press and direct mail. Yet it reaches 86 *per cent* of households and nets an average 42 per cent audience a week which means, according to Terris: "Independent radio is delivering audiences bigger than the *biggest newspaper in the country*."

Altogether some 178m listening hours per week are spent with independent radio which is about *one-third of the* audience of ITV and Channel 4 combined.

The unfashionability of the medium *does not* help. *Radio* advertising is dogged by a dismal image—dire ads with repetitive messages that stupefy rather than *stimulate* the mind. And yet the pulling power of the airwaves, when used well, is undeniable. A medium that can *help community projects* (by raising £54,000 in two weeks to *save Bradford City football club* or thousands to Help a London Child) *can also push products*—be it Clacton Pier or *Select and Protect insurance which* was recently taken off the air *after overwhelming response*.

'The pulling power of the airwaves is undeniable'

Feona McEwan on the state of radio advertising

Yet radio remains an also-ran in advertising circles. Sounds without pictures, it is relegated to the bottom division (i.e., the youngest creative teams) in agencies, often added to campaign schedules as an *afterthought* and then *farmed* out to specialists, writing and all.

But, as David Bernstein, chairman of The Creative Business, reminds us, television had its problems. Three years after its arrival, one perspicacious adman declared: "I think television is here to stay." Commercial radio came after (1964 saw the first UK-based commercial station) and has never really caught up in reputation.

Accusing fingers are pointed in all directions. The radio companies and their sales forces are faulted for producing unwieldy research — some 100,000 statistics are churned out a year, says Terris, for buyers and planners to digest — and for selling airtime in dense packages which make the medium appear complex and expensive. *Terris* believes this confusing method of selling *makes it easy for the enemy*. "The monthly weight of advertising being promoted is the equivalent of a heavyweight *sales promotion in any other* media and this makes radio *seem pricey by comparison*. Sales organisations should be *encouraging clients to* much lower weights of advertising and *spreading activity over* longer periods."

The *Association of Media* Independents, which represents the larger *specialist* companies buying airtime, recently summed up the dilemma of radio: "It is one of the most difficult media to plan and buy, second to press in difficulty of planning and television in difficulty of buying. It is also the least profitable medium for the industry as a whole."

Creative departments are frequently criticised for their dismissal of radio. By their own admission it appears all too rarely on schedules, with a few exceptions and that's often at the client's insistence. "We probably don't use it as much as we should," says John Webster, executive creative director of Boase Massimi Pollitt. "I suppose it's less glamorous than television. It doesn't seem to attract the creative lunatics. The best brains don't get involved in it and it tends to get relegated down the line."

A recent poll of 50 top London agencies conducted by Independent Radio Sales and CIA, revealed some telling data. *While only 8 per cent admitted* having an in-house solus radio writer, 58 per cent said they did not even have an in-house radio writer who wrote primarily for another medium. *Yet 54 per cent admitted using* external radio creative consultancies. *Does this suggest the* demand stemmed from the *client rather than the agency?*

Audio specialists, Hobo Radio *Productions, now in its eighth* year, reports that at least 85 per cent of its radio *business* comes from agencies and 50 *per cent of that includes* writing the ad as well as producing it. The financial sector, says director Chris Sandford, is a *fast growing area in radio*.

"It's harder than you think. It's very, very easy to *think* you've written a good one, time it to 30 seconds and hey presto, that's it," says David Bernstein, who chaired *the 1984 ILR* awards. And the standard? "Worse than last year I'm afraid. . . ."

"You have to *build a picture* and say something, all in 30 seconds," says Ian Potter, creative director of FCO, who judged the Design and Art Direction Awards this year (no awards were given for radio." People like the comedians Tony Hancock and Kenneth Horne had half an hour to build on."

"It's one of the worst used mediums," says Potter who, along with every other creative director, decries the dismal creative standards. There are only about half a dozen great radio ads . . . ." The famous "*Flrrips*" ads *for* Phillips by Mel Smith and Griff Rhys Jones who run a *production company* Talkback, John Cleese's ads *for Sony and* Abbott Mead Vickers' ads for Volvo would *feature on most lists*.

"Part of the problem in radio is there are no rules. Not many people have come to grips with it. Everyone knows that posters have to work at a glance, that press is packed with information, but radio? Where should the joke come, middle, end or beginning?"

Advertisers too come in for their share of the flak in sidestepping radio. "Frankly, it's hard to measure results," says Norman Hawkins, commercials *director of Cadbury Schweppes* who has an on/off relationship with radio. "We used it *for* Flake in London two years ago *with a jingle that was also on* our TV commercial." But results *did not convince him of* radio's significance, as separate from the TV factor. It's generally agreed that the more complex advertising jobs of image and awareness building are hard to measure from radio campaigns.

"Many people don't know what a good radio ad is and are less inclined to embrace it; brand managers are unsure of it," says Paul Clark, advertising director of Van den Berghs, who contrasts his experiences in Australia and the U.S. where radio is automatically considered. "It's probably an attitude of mind that needs changing." But he believes that when radio *advertising* works well, "the effects can be stunning."

But there are signs of progress. The National Chart Show on Sundays is proving a popular revenue-spinner for the commercial network and stations are increasingly taking initiatives to approach advertisers direct. Broadcast Marketing Services, the sales bureau, has now started a client/sales unit dealing with advertisers directly as opposed to agencies. Three stations in the North West last month organised a marketing forum for advertisers.

Newly-appointed chief of the Radio Marketing Bureau, Gerry Taylor, recognises that it is crucial "to win the heads and hearts of the creative people" and there are schemes afoot to this end. He is hoping to involve London's top creative directors personally in writing radio commercials and to train a handful of young writers from top agencies by seconding them to larger radio stations.

And the outlook according to the Advertising Association looks brighter for 1986. After no real growth in 1985, it expects a 4 per cent real growth in 1986, or 8 per cent in cash terms.

Coca-Cola

'Is nothing sacred?'

BY FRANK LIPSIUS

THE CHANGE in the formula for making Coca-Cola leaves some red-blooded Americans with the question, "Is nothing sacred?" Last week's hoop-la surrounding the announcement had the air of a battalion of Crusaders deciding to march under a different flag, while the enemy, *Pepsi, celebrated with a one*-day holiday to jeer at Coke's *changing* allegiances.

Coca-Cola chairman Robert *Goizueta was originally hailed* for shaking up a traditional company *when he diversified* into films by buying Columbia *Pictures, and into a steady* stream of new soft-drink products. Since 1982, Coke has introduced caffeine-free Tab, Diet Fanta, and is about to launch Minute Maid orange soda, based on that Coke-owned brand of orange juice concentrates.

While the change in the Coke formula highlights the fall in Coke's market share compared with *Pepsi, overall* the Coca-Cola Company with *all its brands now* has a 36.4 per cent share of the $22bn American soft-drink market compared with *34.4* per cent *in 1980*.

No one complained about the new *brands rolled out* with names other than Coke, but *traditionalists* were horrified that Coke sullied the sanctity *of its holy* brand three years ago when diet Coke was introduced. *Though* sensible people responded *that Coke* was merely capitalising on America's, if not the world's, *most famous* trademark, the traditionalists *may have been right: it was* in the search for a new diet *formula* that *company* chemists found the new taste of Coke.

In addition, diet Coke proved to be the most successful new launch in soft drink history, which may have inspired Coke headquarters in Atlanta to assume that the road to success lies in new products—even a new Coke. Indeed, as the number-three brand in the soft-drink *market, diet Coke is as likely* as Pepsi to be impinging on *Coke sales*.

Pepsi is now continuing its celebration of Coke's decision with a hastily executed television commercial of a teenage girl asking: "Why did Coke change?" She takes a taste of Pepsi and answers her own question, "Now I know why." The campaign, which was shot last weekend in video tape and started showing on U.S. TV on Monday, will have a $2.5m budget, supplemented in supermarkets by a point of sale display over Pepsi products labelled, "Taste the one that won."

Pepsi is trying to steal the initiative from Coke by going after "*all of those* people who are up for grabs," because they were *satisfied* with the old Coke formula, *according to Pepsi senior vice*-president, Alan Pottasch.

Pepsi improved *its* market share by 1.5 per cent to 18.8 per cent in the past year, and Coke declined by 0.7 per cent *to 21.7 per cent; while diet* Coke captured 6.2 per cent of the American take-home soft drinks market over the past *three years during* Coke's steady decline from a peak of *25 per cent in 1981. To add* insult to injury, the prolifer*ation in Coke products*, which has to impinge on the *original brand, includes* caffeine-free Coke and *caffeine-free diet Coke as well* as the impending introduction of Cherry Coke, meant to compete with Dr Pepper.

The affront to tradition does not offend just loyal old fans, like Atlanta folk, including Walter M Mitchell, publisher of the Atlanta-based *magazine "Southern Accents"* who spoke for many when he *said: "I would no more* tamper with the formula for Cocoa-Cola than I would *try to* improve the writing in 'Gone With the Wind.'" Even Coke with its famous themes, "Coke is It" and "The Real Thing," had taken a vested interest in its inviolability. One of the last campaigns before advertising was halted to await the new launch, touted Coke's less sweet taste compared with Pepsi.

Though the actual test of the *new product's taste awaits the* national introduction of the *new product in early May, it* is already known to be *sweeter and more like Pepsi* than the existing brand. As if to emphasise the choice with diet Coke, new-formula Coke has 154 calories per 12 oz compared with 144 for the old.

Robert Goizueta, a chemist *by training, has* broken another Coke tradition by not *relying on advertising to* bolster its market share and *instead changed the product* itself. If Coke's agency, McCann-Erickson, *feels any* relief at not being in the hot *seat for this one, it* will have to suppress the nagging question of *whether advertising* itself was considered an *insufficient* weapon in the fight for soft-drink marketing *share*.

Marketing abstracts

The collaborative approach to marketing. L. J. Rosenberg and J. E. Van West in Business Horizons (U.S.), Nov/Dec 84 (6½ pages)

Warns of the dangers of viewing marketing as a type of warfare; makes the case for collaborative marketing, in the sense of building credibility with customers, making customers part of the business, appealing to their highest values, and competing mainly with yourself, by doing the best job possible.

Defining marketing problems by the Delphi method. R. E. Taylor in Business (U.S.), Oct/Dec 84 (7 pages)

Using the example of two pseudonymous companies operating in the same—but unidentified—market, describes an application of Delphi technique by the one losing out, in an attempt to remedy the situation; explains the methodology followed by an assembled panel of experts in arriving at a "correct" or "true" answer to the ailing company's difficulties; claims that, where marketing management/research have only opinions to guide them, creative talents are not enough, and that the method outlined is objective.

These abstracts are condensed from the abstracting journals published by Anbar Management Publications. Licensed copies of the original articles may be obtained at £3 each (including VAT and p and p; cash with order) from Anbar, P.O. Box 23, Wembley HA9 8DJ.

THE ARTS

A Bolt Out of the Blue

Martin Hoyle

An hour and a half into Eva Griffith's marathon solo at the Almeida Theatre, the first night was disrupted when a lady in the audience marched across to a guffawing oaf and thwacked him resoundingly on the head. The victim was sufficiently stunned, or prudent, to wait until his assailant resumed her seat before leaping up and passionately demanding to know what sort of place it was where a man was hit for laughing in the theatre. A brisk verbal passage of arms ended with oaf and his retinue escorted out, uttering imprecations against the quality of entertainment on offer.

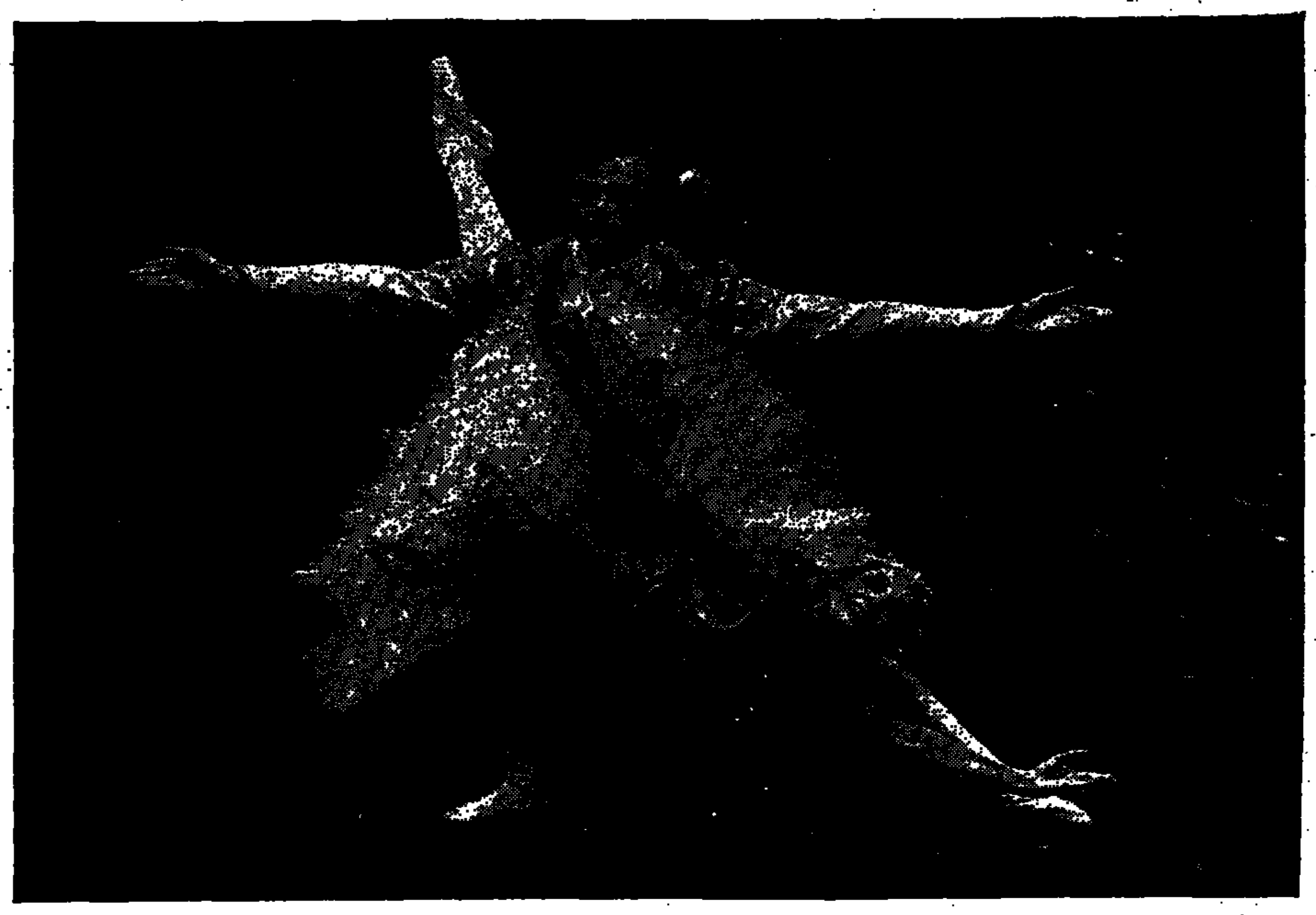
The incident, gloomily described by the Almeida's Artistic Director, with Gallic hyperbole, as "a riot" (and by your correspondent, with Anglo-Saxon reticence, as "a contretemps"), provoked a wave of sympathy for Miss Griffith who, truth to tell, had been emptying the theatre at a steady trickle which had threatened to become a flood over the past half-hour.

Mary Longford's production is not afraid of taking its time, establishing its own leisurely rhythm. Theresa comes home, arranges flowers, mutters to herself, exclaims: "I've forgotten the milk," makes coffee, runs a bath, demands "why such dull colours?" mops up the overflow from the forgotten bath off-stage, changes, views slides illustrating *The Sleeping Beauty* with the occasional giggle, gasp or mumble ("ugh! a frog!"), murmurs she should be in bed, goes there, and in her sleep talks disjointedly of her failed marriage.

Graham Crowley's set realised by Simon Lewandowski, is a flat I believed in; elements of study/studio (paints, colour charts, tailor's dummy wearing an evening dress) in the living-room; kitchen and bedroom glimpsed beyond (but not, I suspect, by those sitting house left).

Naturalistic lighting soon gives way to the stylised, Graeme Miller's haunting music becomes percussive. Noises turn sinister—a neighbour's drill at night, traffic outside, running water. Theresa learns that her ex-husband, James, already mentally-disturbed, has *vanished*. By the play's end there is reference to his empty car found on a cliff-top; but not before Theresa, slowly has cracked up; reading about rape and picket violence; forgetting to go to work, and talking to the invisible James.

The piece recalls a pallid, suburban-accented version of Polanski's film *Repulsion*. Curiosity is sustained, though not finally satisfied when, comparatively sane at last, Theresa prepares to move out as she tells James's shade that she loves and misses him. Miss Griffith needs much more vocal variety before tackling a 2½ hour solo. The producer, Miss Longford, was once, at the behest of local residents, detained by the police together with her entire audience. I think I see why.



Leon Breene as the demon barber and Bernard Martin his astonished victim in a revival of Stephen Sondheim's Sweeney Todd, which opened last night at the new Half Moon theatre in the Mile End Road, London E1. The Half Moon's third home is the first new theatre in the East End for many years. Sondheim based his musical on a play by Chris Bond, the Half Moon's artistic director, who is responsible for this production. Sweeney Todd won eight Tony Awards on Broadway in 1979 but ran for only three months when given at Drury Lane. The East End villain is returning to his old habits with a double vengeance, for Chris Bond's play was first seen by Sondheim down the road at Stratford East

M.C.

The Sleeping Beauty

Clement Crisp

It was good to welcome the Sadler's Wells Royal Ballet back to Covent Garden on Tuesday at the start of a brief spring season. The occasion was a gala in the presence of the company's President, Princess Margaret, in aid of the Sadler's Wells' development fund, and the evening was made splendid by the Peter Wright/Philip Prowse *Sleeping Beauty* which was receiving its London premiere. I praised the production for its intelligence and its visual magnificence at its first performance in Birmingham last autumn; on the Opera House stage it looks even grander in the proud gleam of its gold and porphyry, and in the enthusiasm of the company's playing.

It must be remembered that this is a version made for an organisation numbering just over 50 dancers, which must tour its productions in many varied and variously good theatres. But nothing seems shrunken or under-played in Mr Wright's concept of the piece, even if the Prince's journey to the Beauty's castle is more a matter of dry ice and dryads than the original's panorama, and Mr Prowse has so exercised his decorative genius that it would be hard to conceive of a presentation more opulent or more compelling.

A fuller assessment of Mr Wright's work and of company performances can wait until further viewings next week. I must content myself by noting that there is a welcome amplitude about much of the dancing; that the cast wear their gorgeous dress with proper panache — and Mr Prowse's sense of period outline, in costume, and his ability to give it theatrical validity, is one of the great rewards of the evening; and that Marion Tait and Roland Price led the proceedings with well reasoned interpretations.

There are things to improve in classic style, but these are redeemed by the dramatic tensions that have been restored to a work which can often look bland in its exposition — Peter Wright captures all the tragedy implicit in the score when Aurora collapses in the first act — and *The Sleeping Beauty* is here given the respect due to a supreme balletic masterpiece.

Richard III/Barbican

Michael Coveney

Antony Sher's Richard, one of the outstanding Shakespearian performances of recent years, has arrived in London with only slight modification from my memories of the Stratford première last June. Gone is the gnawing lassitude of the later scenes. Sher driving on to grotesque nemesis with black joviality. "Is the chair empty?" he asks with a vicious sardonic twist on hearing of Richmond's arrival from France. The black clouds, too, are greeted with nervous mock hilarity.

The flair and agility of this performance, the most spectacular appropriation of the role by an English actor since Olivier, remains breathtaking. It is, no question, a gross and indecently energetic display. The black medical crutches are both human props (to be leaned or sat upon) and animal extensions of this black elasticated amalgam of hunch-backed toad, hedgehog and bottled spider. They shoot alarmingly between the legs of the old cursing Queen (Patricia Routledge) or Lady Anne (Penny Downie); they "knight" the collaborating Buckingham (Malcolm Storry) on either shoulder: they fondle the heads of future victims like a pair of inquisitively lubricious antennae.

Sher's Richard is a speedy mesmerist with a curious attraction for children. But he is also a Vice-like figure in the style of the morality plays, and Bill Alexander's production, set in William Dudley's handsome Gothic cathedral setting, is alive to the robust antiphonal quality of the text. It may seem odd that Roger Allam's sonorous Clarence should be murdered in a draughty nave, but the huge plaster screen, the four monumental tombs and the heraldic shields reinforce the idea of an emblematic pageant, with no attempt at realism in either Pomfret or Bosworth Field.

If Sher is a medieval Vice, he is also here capping his Tartuffe with the same director, scrabbling around in attitudes of grotesque piety before the city fathers and screeching outrageously when he feels they might not ask again. Again, the acquisition of power in politics and private life is clearly revealed as a relentless process of wooing and being wooed. Those scenes with Lady Anne and Elizabeth (Penelope Beaumont) are done with much exciting variety and finesse. Elegance, too: note how Sher's legs collapse in almost dainty genuflection, or suddenly execute an airy cartwheel of perverse joy. The interpolated coronation tableau, however, which closes the two-hour first half, is sheer orgasmic bad taste, with that wonderful vile touch of the exposed deformity.

Guy Woolfeden's ecclesiastical anthems are better than his old-fashioned filmic soundtrack bits, the costumes are stock frowsty medieval and there are some corny contributions lower down the cast list. Pete Postlethwaite is the new Hastings, lighter and less sensual than would be ideal, but this actor is never uninteresting. John Carlisle has taken over as Edward IV, discharging his one scene with accustomed elegance. And the murderers—Brian Parr, Sion Probert (good voice) and Jim Hooper—are all excellent.

Antony Sher in the title role in Richard III, at the Barbican

LSO/Barbican

Paul Driver

Philips Electronics could scarcely have been favoured with a more artistically satisfying and altogether splendid celebration of its diamond jubilee than that provided by the London Symphony Orchestra, solo pianist Stephen Bishop-Kovacevich and Sir Colin Davis in the concert it sponsored at Barbican Hall on Tuesday.

It will remain in my memory as an occasion of barely precedented musical intensity and communicated human vigour. It was thrillingly evident from the orchestral opening of Beethoven's first piano concerto that Sir Colin would address us from his loftiest pedestal and with his most intimate feeling and infectious vitality. The orchestra, too, must have been thrilled to be approached with such certainty of intention, brilliance of technique and entirely Beethovenian dynamism.

Even an *indifferent* keyboard account would have been acceptable in view of the conducterly distinction, but what we had in Stephen Bishop-Kovacevich was an interpreter at one spiritually, intellectually and musically with Davis, at the peak of his powers and who gave the performance, perhaps, of his lifetime.

I have never witnessed such unanimity of conductor and soloist. Each had obviously fed his ideas into the interpretation—there was no subordination of one to the other—and those ideas had been given time to fuse and ripen, so that the superb spontaneity we enjoyed was also a deep inner fruitfulness. The score's most fastidious detail and its most rhetorical gestures were organically one, just as the piano seemed to be a limb of the orchestra body.

Bishop-Kovacevich's playing was passionately inventive from bar to bar; it also revealed a mind that had scrutinised the work in its historical no less than all its physical dimensions. He had, on top of his interpretive gifts, the sheer virtuosity to assist, invisibly, everything he wanted to do. A daunting octave *glissando* at the end of the first movement development was sudden proof of this; then the cadenza—the maddest of Beethoven's available three—following soon was a spellbinding excursion as well as a musically luminous one.

His modulation of tone in the Largo was indescribably accomplished; well, his pedalling was describable but it was certainly the art which conceals art. And from his diaphonous close of this movement to his precipitation of the next into a quite other Beethovenian world, what a distance to travel.

Space precludes a description of Sir Colin's *Symphonie Fantasque*. It was momentous.

Tokyo Philharmonic/Brisbane

Arthur Jacobs

The visit of the Duke and Duchess of Kent to Brisbane was over, and the inaugural performance at the new Queensland Performing Arts complex passed into the annals of boredom. It was an odd mixture which limped form pop to ballet, form oratory to opera, at various levels of accomplishment, and ran — unpardonably —t to nearly four hours.

The complex, stater to have cost£33m, includes both a Lyric Theatre and a concert-hall, each acquisition for a city of about 1m inhabitants. The theatre has an orchestra pit seating up to 90 musicians, and its aptness for opera was demonstrated by a creditable performance of *The Marriage of Figaro* by the Lyric Opera of Queensland. What brought the concert-hall to life was an extraordinary programme by the Tokyo City Philharmonic Orchestra.

Who could imagine, in London or New York, an orchestra in evening dress actually strolling on to the platform playing their instruments? Here they were led by a solo clarinet playing "Waltzing Matilda." (This was to be a programme on Japanese Asahi television entitled "Australia meets Japan in Concert.") As the distinguished conductor Hiroyuki Iwaki mounted the rostrum, the apparent improvisation gave way to a brashly orchestrated version of the tune.

But then the capacity audience, reassured by this approach in the pop mode, was persuaded to listen, in the course of the evening, to about 50 minutes of the most abstruse contemporary music, both Japanese and Australian. Toru Takemitsu's *Autumn* resembles his famous *November Steps* (but it is not so good, I think) in using the traditional Japanese biwa (lute) and shakuhachi (flute) as soloists with the western orchestral forces.

Toshiro Mayazumi, a composer who compèred the whole programme (in valiantly unscripted but not always intelligible English), introduced his *Bugaku*, an evocation of Japanese court music. From the Italian-born Australian, Riccardo Formosa, came *"Dedica"* for amplified oboe and orchestra, with a dazzling young Australian oboist, Jeffrey Crellin, I found both these pieces over-concerned with superficial effect, but the point was that they held an audience which would have run a mile (in Australia, a kilometre) from any "contemporary music" event.

During the second half of the concert the informal, improvising orchestra again took over, this time joining in *Click go the Shears* as rendered by a "bush band" (Australian folksong group). The concert also had room for a song and dance by a male aboriginal group, a culture notably excluded from the official opening event in the Royal presence. The orchestra exhibited in Yuzo Toyama's *Divertimento* a ravishing pianissimo such as I have scarcely encountered since Ormandy and the Philadelphia Orchestra, and finally the astonishing Iwaki discarded the baton and played the solo marimba with his orchestra in some new variations of the famous Paganini tune.

Japan's huge oil and energy resources company, Idemitsu, sponsored this lively event in token of its growing investment in Australia, Queensland in particular. The dogged determination of Sir Joh Bjelke-Petersen's Queensland Government, locked in battle with organised labour and with federal power in Canberra, was manifested at the concert itself. The national anthem of Australia was duly announced, but only in Queensland would this have turned out to be, not "Advance Australia fair," but "God save the Queen."

Royal Festival Hall

The attendance at the Royal Festival Hall for the London Symphony Orchestra's concerts there during the 12 months ending on March 31 was a record 86 per cent. The four London orchestras together averaged attendances of 76 per cent.

Together with its performances at home at the Barbican and the Royal Albert Hall, the LSO have averaged a 90 per cent attendance for its current Mahler, Vienna and the 20th Century Festival.

Winner's debut

Wang Xiao-Dong, the 15-year-old Chinese winner of the Senior First Prize in the Orion Insurance Yehudi Menuhin International Violin Competition, will make his London debut with the Royal Philharmonic Orchestra, conducted by Yehudi Menuhin in the Royal Festival Hall on May 7. He will perform the Prokofiev Violin Concerto No 2.

Wang Xiao-Dong joined the Shanghai Conservatory when he was seven. He has performed with the Shanghai Symphony and given concerts as soloist with visiting orchestras including the European Community Youth Orchestra. In 1983 he was the Junior First Prize winner in the Yehudi Menuhin Violin Competition.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

Apr 26-May 2

Exhibitions

LONDON

The Saatchi Collection: Charles and Doris Saatchi have been collectors of contemporary art since 1970. The catalogue of their collection, The Art Of Our Time, is being published volume by volume, and a gallery established to make it available to a wider public. The gallery is an astonishing converted paint warehouse at 98a Boundary Road, NW8, that offers more exhibition space for temporary shows than any other gallery in London, except perhaps the Tate. There are to be three or four shows a year, of a few artists at a time. Those now being shown are Cy Twombly, Brice Marden, Andy Warhol, Don Judd, and Richard Serra. The gallery is open on Fridays and Saturdays between 12 and 6, or by appointment. (624 8299).

VIENNA

Vienna 1870–1930: Dream and Reality: *The greatest names of the Viennese* fin-de-siècle – Klimt, Otto Wagner, Schiele, Kokoshka, Aldolf Loos, Josef Hoffman – in a dazzling display of Jugendstil creative genius. The attempt to integrate the artistic achievements of this era with philosophical developments (notably Wittgenstein but also Freud) and political transformations (the emergence of municipal socialism on the ruins of Baroque splendour) is ambitious and only partly successful. The complex tension between autocratic and censored *reality on the one* hand and the illusions or fantasies of individual artists on the other is hinted at but not fully explored. A high point of the show is a reconstruction of Hoffman's room at the secession exhibition of 1902. Here, triumphantly restored, is Klimt's fifty-foot Beethoven frieze depicting humanity's progress through suffering to joy on the theme of the Ninth Symphony. Displayed exactly as intended, this alone is worth a special visit. Kunstlerhaus. Ends October 6.

PARIS

Shogun, weapons, armour, clothes, beautiful objects from Japan's golden age from the 12th to the 19th century testifying to the art of living of the tokugawas. Espace Pierre Cardin, 1 Ave Gabriel (266 17 30-266 17 81). Ends May 14.

La Nouvelle Biennale de Paris assembles 120 painters of all nationalities. Punk-style posters lure visitors to the trans-avant-garde fun-fair of the arts spreading over 12,000 square metres in a vast hall of the former La Villette Slaughter House. 211 Avenue Jean-Jaures, *Metro Porte de* Pantin (730 2525) Ends May 21.

BRUSSELS

Hotel Metropole is celebrating its 90th year and in its splendid *fin de siècle* public areas, worth a visit in themselves, they are exhibiting glass and objets d'art from the Belle Epoque to Art Nouveau including works by Wouters, Gallé and Daum. Also on show are a collection of illustrated me*nu cards including a Press Ban*quet in 1893, Congo in 1898 and Sarah Bernhardt in 1896. Ends Jul 20.

ITALY

Venice, Palazzo Fortuny: Toys for the science-fiction era, showing how vastly more sophisticated robots have become, since first produced in the 1950s. *Ends* Jul 14.

Ca' Vendramin Calergi (Venice) – Wagnerian apartments: Japanese figurative art 1873-1974. An exhibition organised in collaboration with the Japan foundation of works of more than 50 artists, showing how the tra*ditional style has been modified by* European and American influences. Ends May 19.

Rome, National Print Gallery, via della Lungara 230 (better known as La Farnesina. The Art of the Watercolour in 19th century Holland. Sixty-two paintings from the Rijksprentenkabinet in Amsterdam of extraordinary variety and charm; moving scenes of the poor and elderly in the Amsterdam ghetto, as well as the traditional delicate and romantic landscapes. Notable is J. B. Jong*kind whose style matures markedly,* becoming spare and impressionist (he was much admired by Monet, Manet and Pissarro). Ends May 5.

NEW YORK

Museum of Modern Art. *The first com*prehensive retrospective of Henri Rousseau, including 60 works from as far away as Pregue, show the masterful playfulness of the Paris toll collector who brought together man and nature at their most benign and intriguing. *Ends June 4.*

Treasures from the New York Public Library: 260 works chosen from one of the five best library collections in the world may cover America better than Europe, but the inclusion of a Gutenberg Bible, the Tickhill Psalter and French bindings supplements Americana, such as examples of Melville's work, announcements of the discovery of New York, and one of the earliest globes. Ends May 24. (42nd & 5th Av).

WASHINGTON

National Gallery. Ancient Art of the American *Woodland Indians in*cludes 151 pieces covering 5,000 years of sculpture, ceramics, copper and shell objects of the native Americans who lived in what is now the eastern half of the U.S. Ends Aug 4.

CHICAGO

Art Institute: Though Edouard Manet made etchings primarily to reproduce and publicize his paintings, he developed a unique style as shown in the 27 etchings in this special ex*hibit of more than a third of his total* output of 75 etchings. Ends Sept 2.

WEST GERMANY

Stuttgart, Staatsgalerie, Konrad-Adenauer Straße 30-32: The German *romanticist Caspar David Friedrich* (1774-1840). Ends May 26.

Cologne, Kunsthalle, Josef-Haubrich-Hof 1: "Ornamenta Ecclesiae." To underline the importance of the romanesque churches, the Cologne Schnüttgen museum has organised an exhibition of roughly 600 religious works ranging from 11th to 13th century including illuminated manuscripts and gold artifacts. Ends June 9.

Berlin, Schloss Charlottenburg, Spandauer Damm, Neuer Flugel: Berlin is putting on the biggest exhibition of Antoine Watteau to commemorate the 300th anniversary of his *birth. The National Gallery of Arts,* Washington, the State Museum of France and the administration of Berlin's castles are sponsoring the show. The French rococo painter often used poor quality colours, therefore many of his paintings are in a bad condition *and have not been dis*played before. The exhibition includes 73 drawings and 143 paintings. Ends May 25.

Düsseldorf, Städtische Kunsthalle, Grabbeplatz 4: Masterpieces of the 20th century, from the private collection of the German industrialist Thyssen-Bornemisza, are on show. Works by Manet, Gauguin, Bonnard, Mondrian, Picasso, van Gogh, Schwitters as well as Russian Konstruktivists. Ends Jun 6.

Cologne, Kunsthalle, Josef-Haubrich-Hof 1: 'Ornamenta Ecclesiae.' To underline the importance of the romanesque churches, the Cologne Schnüttgen museum has organised an exhibition of roughly 600 religious works from 11th to 13th century. These are illuminated manuscripts and gold artifacts from museums and collections from all over the world. Ends Jun 9.

TOKYO

Ancient Chinese Earthen Statues: One of the most exciting *exhibitions of* figurines excavated from tombs, including Xian, showing the developed state of ceramics – and of glazing techniques – from as early as the 3rd century. This museum in Ueno Park makes an especially pleasant weekend outing now that it is cherry blossom time. The groups of revellers picnicking under the trees are a good source of sociological study – and invitations to foreigners to join the feast are part of the general bonhomie. However, an early return home to avoid the rush-hour is advised. Tokyo National Museum. Ends May 6.

Hara Museum Fifth Annual Exhibition of Contemporary Art: Promising young artists exhibit a variety of media from painting, paper sculpture, plants, to avant-garde dance. A delightful museum in a restored private home with garden where the dance will take place. Ideal for weekend outing. Hara Museum of Contemporary Art, Shinagawa. (445 0651). Installations End May 19.

Posters from round the World, from Essen Poster Museum in Germany. Takashimaya Department Store, Nihonbashi. Ends May 7.

Japan a Hundred Years Ago: Photographs from Edward S. Morse Peabody Museum Collection. A superb documentation of pre-modern Japan capturing town and country life touched up with colour for more realistic impression. Tobacco and Salt Museum, Shibuya. The location, a bustling and fashionable area for the affluent young, exemplifies the remarkable changes Japan has undergone in the last century. Ends May 6.

American Festival

Major to minor to mini

Antony Thorncroft

From next Wednesday the UK will be awash with the arts of the U.S. of A. Or at least London will be, with minor attractions in Glasgow and Cardiff.

The American Festival finally opens on May 8: despite a difficult gestation the completed roll call of events looks very impressive. Industry has ralied around with £500,000 worth of sponsorship; and over 80 offerings will happen,

The achievement of the Festival has been its ability to spread its net wide and to avoid charges of cultural élitism. There will be major American artists appearing, such as Isaac Stern and Murray Perhia, but even the orchestral concerts contain works by contemporary composers.

Of particular interest is the theatre and dance schedule, with visits by the Negro Ensemble presenting *Home*, a major Broadway success, and the Wisdom Bridge Theatre of Chicago with *In the belly of the beast*. Among the dance artists are the Merce Cunningham company, a first British tour for the Margaret Jenkins company of San Francisco, and the Joel Hall dancers.

The major art show will be American Images — Photography 1945-1980, the *most ambitious* display of American photographs ever mounted in the UK: it will open at the Barbican on May 10, sponsored by Pearson. There are 350 works by 75 artists.

The major sponsor is Endless Holdings, supported by, among others, Rothschild, Phillips Petroleum, Citibank, American Express, BP and Bankers Trust.

The more popular evenings *should be the Chicago Blues*, the country singer Ricky Skaggs, the Preservation Hall Jazz Band (average age 74), and the season of American musicals at the National Film Theatre. Touring fringe venues will be Jackie Torrence, a professional story teller who is reviving the art of oral history. Many London galleries will be displaying work by American artists, including new works by Frank Stella at the ICA.

The American Festival, a quick response to Britain Salutes New York, should present a much livelier view of U.S. artistic achievement than we get from the mass media.

In 1983, this country made a profit of £430 million from our aviation industry.

And last year, the tourists who were flown into Britain spent over £4·25 billion in our hotels, theatres, pubs and shops.

This business continues to grow at a rapid pace, bringing even more money into the country and providing more jobs.

So much so, that forecasts indicate that in future years London's airports will find themselves unable to cope.

The airlines would have to look to Holland, France and Germany to deposit their passengers, their freight and their money.

The report of the Airports Inquiries 1981-1983 was recently published.

It concluded that the London airport system (of Heathrow, Gatwick, Luton and Stansted) can remain at the centre of the world's airline industry only if it expands.

The report forecast that by the next decade the demand can only be met by an increased capacity in the south-east, which means expanding Stansted Airport and building a fifth terminal at Heathrow.

Every effort should be made to develop the regional airports, but their expansion alone could not meet the future demands of the south-east.

Unless the above recommendations of the Inquiries are acted upon swiftly, the aviation industry will suffer.

Which will mean the country loses revenue and loses jobs.

We wish to see a civil aviation industry that has the freedom to grow to its full potential.

Not one that has had its wings clipped.

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Thursday May 2 1985

British Gas; sell it well

PROPOSALS to privatise British Gas are imminent. This, in principle, is to be welcomed.

But there is a danger that in its eagerness to fill the gap in the privatisation programme left by litigation-locked British Airways, the Government will set about selling British Gas in the wrong way.

It seems, at the moment, that the case advanced by Mr Peter Walker, Energy Secretary, for selling the corporation Telecom-style, as an integrated whole but in tranches, will carry the day.

The attractions of such a course are considerable. It would mean, for the Treasury, early access to the sale proceeds. And it would avoid a fight with the *industry's* management, which is passionately in favour of preserving integration, having forged British aGs as a strong centralised corporation only a dozen years ago.

Arguments

Nor is this reasoning merely a matter of *amour propre* on *British Gas's part. The laying* down of Britain's high-pressure distribution system for natural gas has been a major engineering achievement. Under Sir Denis Rooke's leadership, the industry has had good labour relations and has developed a spirit and an identity which would be disturbed in a piecemeal sale.

But there are also persuasive arguments on the other side. In the first place, British Gas is not one business but four. It is an explorer for and producer of gas both on and offshore. It is a pipeline company, collecting bulk supplies of gas from its own and other North Sea fields and transmitting them to industry and to retailer distribution points. It is also, through its regional boards, a gas retailer. Finally, and most anomalously, it sells gas appliances through showrooms which also act as a point of customer contact.

The logic of keeping all these parts together is far from self-evident. British Gas argues that, taken together, they enable the corporation to understand the entire business, *from reservoir to gas cooker.* But the fact that a single company bestrides these areas clearly gives the corporation too much pricing power and may militate against efficiency and innovation.

The comparison with British Telecom, although neat in that the two corporations are of approximately equivalent value, is in many respects misleading. Part of the argument for keeping British Telecom in one piece, as with British Airways, was the need to retain a major UK player on a competitive international stage. That argument does not apply to British Gas.

Equally, gas prices are a basic item for almost 16m customers; more basic than telephone charges or airline tickets. There is no chance, as technology develops, that rival gas services will emerge to challenge such a formidable monopoly as British Gas, as is at least possible in telecommunications.

The regulatory problems in the gas business will also be *of a different order from* those in telecommunications. Although Oftel has got off to a reasonable start, the controversy which surrounds gas pricing—as witnessed by the heap of Government-inspired reports on the subject in the last decade—is far more formidable. The relationship between energy prices and energy taxes is muddled and *needs to be clarified with or* without privatisation—but it is not a minefield to enter without proper public consultation and debate.

Conditions

Even a well-run regulatory body, endowed with adequate powers, will have a difficult job settling arguments about the right price level *for gas without* the benefit of performance comparisons from competitors operating in similar national conditions. Utilities need not compete against each other directly to make this possible —regional gas boards, independently-owned and operated, could be compared with each other, as they are in the U.S. Privatisation by region, plus a *single pipeline authority, could* well be a better way forward. NO 20—8/8½

The Energy Department completed detailed work on these and other questions many months ago. Before starting to draft a Bill or a prospectus, the Government should use this material and publish its arguments for its chosen form of privatisation, along with rival possibilities, in the form of a Green Paper.

The public interest in questions such as gas depletion and energy prices demands that this be the first step. Only then will the Conservative election manifesto pledge to introduce both private capital and competition in the gas business be satisfactorily fulfilled.

Misjudgment over Bitburg

THE DECISION to include the German military cemetery at Bitburg in President Ronald Reagan's German itinerary rests upon poor judgment in both Bonn and Washington. The opposition that the proposed visit has stirred up in the Congress and elsewhere in the U.S. is proof enough of that. One may regret the hubbub, but one cannot ignore that it echoes hard if unpalatable political facts.

President Reagan and his host, Dr Helmut Kohl, the German Chancellor, need not have worked themselves into the unenviable position in which they find themselves if they had avoided the theatrical celebration of reconciliation between w..t..... ..lies. The *tempers unwittingly stirred up* will not advance a post-war reconciliation that has, by and large, been achieved, even if it must inevitably remain imperfect.

Both have been dragged to the surface at a time when detachment is needed to resolve the many issues of high importance, such as nuclear armament and disarmament or *commercial policy,* bedevilling transatlantic relations within the western alliance.

Sensationalist

Admitting so much does not absolve from blame those who have blown up the Bitburg issue beyond all proportion. They, too, have taken risks with the future of the alliance and with the cause of democracy in *Germany and maybe even else*where. Moscow has seen its chance to fish in troubled waters. The West German left has had its say too.

So far nothing has been heard from the West German far right. But it would be blindness to ignore that continually picking upon the Germans of today for their people's past could eventually create a backlash. Germans can hardly be blamed for resenting an often merely sensationalist fascination of many media with Nazism which far oversteps the bounds of what might be explained as a justified vigilance.

A constant harping on the Nazi theme renders no service to Dr Kohl and the other mainstream politicians in West Germany who have steered Germany down the middle of the road ever since its foundation. It can truthfully be said that their state has achieved a truer democracy and a greater degree of tolerance, than some of the allies of the second world war.

Consultation

The honestly unconvinced might care to read the speech made by Dr Kohl on April 26 at the site of the Bergen-Belsen *concentration camp. It is a dig*nified speech in which he carefully avoided the trap of trying to offset Nazi inhumanity against the suffering of German people during the final rout. "We should not have learned anything from history if we were to weigh up atrocities against each other," he said.

Dr Kohl also denied that the time had come to forgive and *forget. The past should be re*membered as a warning of what happens if people are spurned for their beliefs or for their racial origins, whatever they may bee. President Reagan could save something from the debacle if he used his great powers of persuasion to make this very point to the world at large.

The Bitburg debacle is a *reminder that no useful purpose* is served by dwelling theatrically upon the past unless this really strengthens resolve everywhere to prevent a repetition of persecution and mass murder anywhere in the world.

Instead, today's energies should be devoted to realities of consultation and co-operation that hold together and strengthen the U.S. alliance with West Germany, and the western alliance as a whole. If that lesson is learned the Bitburg affair will have served some purpose

Britain: the future of Serps

Barbara Castle: architect of Serps. Norman Fowler, Social Services Secretary: a long look at the inheritance

Why 11m pensions are in the balance

By Michael Prowse

TODAY'S MEETING of the British Cabinet is of unusual significance. With last - minute disagreements between the Treasury and the Department of Health and Social Security apparently narrowed down, Ministers are expected to consider the proposed abolition of the state earnings-related pension scheme (Serps).

If the Government does intend to dismantle Serps—and final confirmation must await the Green Paper on social security reform—it will shatter the political consensus on pensions reached in the mid-1970s after years of wrangling. Labour has already pledged to resuscitate the scheme if re-elected and the Confederation of British Industry remains a firm supporter.

Abolition *would significantly* affect the pension prospects of about 11m workers. By promising a pension linked to earnings and indexed for inflation, Serps offers them a new security: a means of sustaining in retirement living standards bearing some relation to those enjoyed while in work.

Until the introduction of Serps, with bipartisan support, *in 1978, only two groups could* look forward to this sort of guarantee: public sector employees with generous index-linked pensions and long-serving members of private occupational schemes. The majority of non-professional private sector workers stood to get only the basic state pension, now £35.80 a week.

Serps, the brainchild of Mrs Barbara Castle, then Social Services Secretary, followed two substantial but eventually aborted pension reforms in ten years. Richard Crossman's scheme fell when Labour lost the 1970 election; Sir Keith Joseph's died when the Tories were defeated in 1974.

Mrs Castle's scheme offers the lower paid some of the advantages of a good occupational scheme. Under Serps, everybody unless "contracted out" (and therefore getting even higher benefits from a private scheme) stands to receive on retirement a pension comprising the basic flat rate sum plus one quarter of their "average revalued qualifying earnings" during their working life.

Qualifying earnings are those above a floor, which is a little less than a quarter of average earnings, and below a ceiling which is about 1½ times average earnings. The scheme is therefore not open-ended: the state does not offer an earnings-related pension however high your earnings, but only in respect of earnings up to about £11,000 a year.

Serps is fully indexed. In calculating the eventual pension earnings are revalued — in line with rises in average earnings rather than retail prices. And the pension is a quarter of your average earnings, after indexation, during your *best 20 years of work.*

This may seem an unnecessary complication. But although a person's 20 years of highest earnings will often be his last 20 years, this is not always the case. Manual workers, for example, can see their pay decline in real terms after the age of about 40.

But basing qualifying earnings on an individual's best 20 years was primarily designed to help those with broken employment records, perhaps through sickness and unemployment. It ensures that women who stay at *home to bring up* a family can still qualify for a decent pension in their own right.

Strong arguments are deployed for and against Serps. Pensions, *most people would* agree, need to aim to guarantee living standards in old age without impairing the job mobility which is essential for a dynamic economy. The state scheme meets these criteria perfectly. It does so by acting as a giant clearing house and does not preclude private pension provision —indeed Serps was explicitly designed to complement existing *occupational schemes.*

In contrast, the private sector's ability to provide secure pensions without impeding job mobility is less obvious. Occupational schemes have persistently failed to offer security by failing to index pensions. Even when inflation is as low as 5 per cent, prices double in about 13 years: many retiring today can expect to see a 50 per cent or greater decline in the real value of their private pensions.

Equally important, company schemes inevitably impede job mobility. "Early leavers" have been consistently discriminated against and will continue to suffer even after the Government's belated insistence that pensions left "frozen" with former employers be partially revalued.

Personal portable pensions, on the other hand, are consistent with job mobility. But this sort of saving is not secure. It cannot guarantee living standards in old age because nobody can know what his contributions will eventually buy. The answer will depend on inflation, the level of a volatile stockmarket and his skill and luck as an investor.

The point of people clubbing together in state or company schemes is precisely to overcome *the risk associated wtih indi*vidual saving. The price of co-operation, of course, is some cross subsidy: some people would do better by "going it alone" in a personal scheme; most would not.

State pensions may make sense but why earnings-related state pensions? First, because people earn them through earnings-related national insurance contributions. Second, because pensions are merely deferred pay. Third, because there is a demand for earnings-related pensions which companies have tried hard to meet but which the state is particularly well placed to supply.

Criticism of Serps is generally made on two levels. First, there is ideological opposition to any kind of state provision rather than dislike of Serps as such. State pensions, it is argued, eliminate personal choice and responsibility and are inflexible, representing "forced saving."

The second type of criticism, most forcefully expressed by Mr John Kay, the director of the Institute for Fiscal Studies, is that Serps is very unsatisfactory even if the rationale for state pensions is accepted. It is, he argues, unnecessarily complex, unfair and far too expensive.

The complexity, such as the best 20 years rule, reflects the attempt to help disadvantaged groups—married women, for example, and those with volatile *earnings. The charge of un*fairness is more serious. Mr Kay argues that Serps does little for a poor couple where the husband earns, say, £120 a week and the wife nothing but a lot for an average couple where the husband earns, say, £180 a week and the wife £100.

With Serps fully operational, the poor couple gets a pension of £77 a week, only marginally above their present entitlement. The average couple's pension is boosted from £85 a week to £152. The obvious implication, says Mr Kay, is that it would be better to scrap Serps and raise substantially the basic pension.

There is much to be said for a higher basic pension. But although the Government has expressed its discontent with Serps, it is showing no sign of wanting to raise the basic state pension. Indeed, part of the rationale for the Government's review was to find savings.

Mr Kay's example of Serps' inequity can be challenged. First, the poor couple are at *least taken off* means-tested supplementary benefit and get a better pension as of right. Second, their pension is small mainly because the wife accrues no Serps benefit. However, most women, even if they stay at home to bring up families, will surely in future work at least 20 years out of a possible 40 plus.

The main objection to Serps, however, is its expense. At present, the scheme costs little (and so in the short term little would be saved by its abolition) because pensioners currently retiring have accrued only a small Serps entitlement. But in future years an increasing number of pensioners will qualify for an increasingly large proportion of the total Serps benefit. Anybody retiring *after* 1998 will qualify for the full quarter of revalued average earnings.

But the burden of Serps will rise for another reason: the "support ratio"—the number of workers per pensioner—is forecast to decline in the 21st century because of the falling birth rate since 1964.

Mr Kay has estimated that by 2033, National Insurance contributions of 27 per cent of earnings would be necessary to meet the cost of state pensions compared with 12½ per cent today. If Serps were fully operational today, he asserts, it would add about one-third to the social security budget.

Such calculations explain Ministers' concern. But some of the alarm is misplaced. First, the Government Actuary's own estimates are more reassuring. By 2025, he calculates that the National Insurance contribution required to pay for state *pensions would have risen only* to 14.7 per cent of earnings, assuming the basic pension remains linked to prices, or 19.9 per cent if it rose in line with earnings.

Moreover, demographic trends remain favourable until well into the next century: the support ratio rises for the next 15 to 20 years. Between 1995 and 2005 the burden of Serps plus the basic pension could actually fall as a per cent of earnings (see table).

Very long term demographic forecasts are fallible but it looks likely that the state pension burdens will rise during the first half of the 21st century—though not as dramatically as Mr Kay suggests. The cost of private pensions will also rise as a per cent of salaries. Higher expenditure on pensions is a natural concomitant of rising national income.

The point to note is that if pensions of one-quarter of real earnings are too expensive under Serps, the private sector will not be able to provide them more cheaply.

It is idle to object that private schemes are "funded" whereas Serps is "pay-as-you-go"—that in private schemes people pay for their own pensions whereas under the state system our grandchildren are left to pick up the tab.

An individual can "fund" his own pension (if his financial investments bear fruit); a whole society cannot. In economic terms, future pensions, whether labelled private or public, will *be financed out of the current* production of the then working population. Our grandchildren's ability to meet our pension promises can be influenced only by raising our rate of physical investment—by bequeathing a bigger capital stock.

"Funded" schemes will therefore help only if they raise the overall saving rate. Yet in the UK funded schemes seem mainly to have crowded out small personal investors

Cost aside, it is most improbable that the private sector would fill the gap if Serps were dismantled. The Treasury's talk of annual tax revenue losses of up to £1bn seems to assume that the 11m Serps beneficiaries would on average save about £300 a year through private arrangements, thus getting tax relief of about £100 a year.

Yet before company and state schemes were invented, people did not save adequately for old age.

Serps is not without flaws. It may be too complex. It may be too generous, particularly for two earner couples. It might be better to extend the qualifying period from 20 years to, say, 30 *and to revalue earnings in* line with prices may not (which would substantially reduce costs).

But the critics have not yet made out a convincing case for abolition as opposed to reform. If the Government is to tamper with Serps, in the interests of greater personal freedom, it ought first to try to win all-party support. Pension provision is too *long-term* a business, and too serious, to become a political football.

ESTIMATED COST OF PENSIONS*

	1991	2001	2011	2023	2033
Institute for Fiscal Studies					
Serps	2.0	4.2	6.2	8.5	10.6
Serps plus basic	15.9	17.4	19.6	23.5	27.3
Goverment Actuary					
	1984-85	1995-96	2005-06	2015-16	2025-26
Serps plus basic†	12.5	11.9	11.9	13.3	14.7
Serps plus basic‡	12.5	13.3	14.3	17.0	19.9
Support ratio (workers per pensioner)	3.3	3.3	3.4	3.1	2.7

* National Insurance contributions (as per cent of earnings) required to meet cost of state pensions.
† Basic pension linked to prices. ‡ Basic pension linked to earnings.

Men and Matters

Royal guest for the tax-men

Never one to shirk an onerous duty in the cause of the Save the Children Fund, Princess Anne is taking on a fresh challenge —addressing a trade union conference.

She has agreed to speak on May 14 to the annual gathering at Bournemouth of the Inland Revenue Staff Federation, the tax officer's union, which these days has its fair share of red-blooded Left-wingers with, to say the least, ambiguous views on the Royal Family.

The IRSS has long-established links with the Fund and raised £25,000 for a polio apepal a few years ago. The Princess will launch a new appeal for £60,000 to aid tuberculosis control among Tibetan refugees in India.

Buckingham Palace yesterday agreed the engagement was an unusual one for a member of the Royal Family, but pointed out that it was for a specific and non-controversial programme.

Left-wing IRSS conference delegates, including a number of Militant Tendency supporters, meanwhile, are in some confusion over how to deport themselves when the Princess arrives. No organised walk-out is planned. *But one activist said* yesterday: "There will certainly be people who will want to absent themselevs from the proceedings while the guest is there."

Eau de Cologne

A spoof interview with President Reagan about his controversial *visit to Bitburg cemetary* fooled hundreds of television viewers in Cologne yesterday, then created a diplomatic rumpus.

After talking to the West German television correspondent in Washington, the programme's presenter suddenly announced that he had managed to get President Reagan on the telephone on his arrival at Gymnich Castle, outside Bonn.

A photograph of the President flashed onto the screen and his voive, impersonated by American mimic, Ron Williams, was heard saying how very glad hewas "to be in your beautiful country."

Asked about his plans to visit Bitburg, the "President" said he had decided on a compromise. He would fly by helicopter *to* Bitburg, hover over the cemetary for a short while, then fly over the sit of Belsen concentration camp, and from there go on to Berlin and hover over Spandau Prison to greet Rudolf Hess.

Scores of viewers called the station for more information; and many others to protest about the programme's "bad taste."

Legal outsider

The announcement from 10 Downing Street yesterday that Sir Nicolas Browne-Wilkinson is to succeed Sir Robert Megarry as Vice-Chancellor, the senior judge of the Chancery Division of the High Court next month, has been greeted with surprise and approval in legal circles.

Surprise because Brown-Wilkinson is an appeal court judge and the assumption was that precedent would be followed, and Megarry's successor chosen from the ranks of existing Chancery judges.

The hot favourite was Mr Justice Warner, with Mr Justice Nourse running him a close second.

And approval because it is felt that Browne-Wilkinson will "do a Donaldson" on Chancery, attempting to modernise that most Dickensian area of the High Court in the same way as Sir John Donaldson has tried to bring the Appeal Court into the late 20th century since being made Master of the Rolls.

Browne-Wilkinson, aged 55, was appointed a Chancery judge in 1977. In 1981 he became president of the Employment Appeals Tribunal. He went to the Court of Appeal two years later.

His appointment will be popular in Lincoln's Inn, where the majority of Chancery barristers have their chambers, and where he is not only highly respected as a judge but also well-liked as a man.

"Britain has exported more stolen cars than Japan and the EEC put together."

Slim line

Stockbrokers *Grieveson Grant* are adding a slim 12-page review of the British equity market to the mass of printed paper which thumps on to the desks of fund managers, bankers, and journalists each month.

The review is the brainchild of two men. Bernard Donoughie is head of research at Grieveson, a former head of the Downing Street policy unit during the Wilson and Callaghan governments, and one of 12 new life peers and peeresses named last month by Mrs Thatcher.

Trevor Laugharne is Grieveson's senior market analyst. Their joint aim is to give busy fund managers an *overview of* the market which can be digested in 10 minutes.

Donoughie believes the Equity Market Review marks a break from the traditional stockbrokers' analysis — which he sees as unduly wordy, subjective, and too concerned with historical rather than future trends.

For those reasons he scrapped Grieveson's previous British equities review three years ago and has only now re-launched it in a new format.

The review projects the price-earnings ratios of the various market sectors as far ahead as 1988, and then attempts to calculate whether, in the longer term, stocks are under- or over-valued by the market. On that basis, tobaccos, banks, *and chemicals are all on size*able discounts.

Grieveson plans to print about 2,000 copies of the review each month.

Moving feast

No diplomatic effort is being spared in ensuring that Alfredo Ricart, the Dominican Republic's ambassador to *London,* leaves the country with some sense of satisfaction.

Britain announced five months ago that it was to close its embassy in Santo Domingo as part of the Foreign Office cuts dictated by the Treasury.

The Dominican government was deeply hurt. Britain had ben the first to recognise the Caribbean island's independence in 1850. And in protest, it decided to close its London embassy and transfer Ricart, the doyen of the diplomatic corps to Switzerland.

Since then Ricart has been given an especially attentive series of farewell parties, including a send-off at the Mansion House and, yesterday, a lunch by Foreign Secretary, Sir Geoffrey Howe.

Honour, it is hoped, will be satisfied by these tributes.

Observer

Economic Viewpoint

Pre-summit boost for the UK

By Samuel Brittan

[T]HE UK enters the Bonn Sum[m]it in the highly unusual posi[ti]on of being almost the growth [le]ader among the summit [po]wers.

There is one conclusion from [th]e April Industrial Trends Sur[ve]y of the Confederation of [Br]itish Industry which was pri[va]tely described as "unbeliev[ab]ly good" by a very senior [G]overnment adviser. It under[li]ns the recent CBI forecast [th]at the UK would experience [.] per cent growth in 1985, com[pa]red with the official Budget [fo]recast of 3½ per cent.

Only Japan, whose long-term [hi]storical trend is so much [hi]gher, is expected to do better [th]an Britain—and that only [sl]ightly with most forecasts [ar]ound 4½ to 5 per cent.

Any report on British perfor[m]ance tends to be politicised [an]d distorted by the "Good [N]ews for Thatcher" or "Bad [N]ews for Thatcher" brigade. It [is], therefore, worth remarking [th]at the CBI survey can be taken [as] the very first sign of a [ge]nuine economic recovery [si]nce the present Government [to]ok office, on some plausible [de]finitions of recovery.

Let me explain. If recovery [m]erely means some rise in out[pu]t, then the UK economy has [be]en recovering since the spring [of] 1981, since when growth [ra]tes have varied between 2 and [.] per cent. Recovery can, how[ev]er, also mean, as Peter Jay [in]sists in his Banking World [ar]ticles, a rise in output suffi[ci]ent to take up slack and re[du]ce unemployment.

From this latter point of [vi]ew, economic recovery has not [ye]t begun, as unemployment has [co]ntinued to rise — an experi[en]ce which U.S. economists [of]ten call "a growth recession."

In some ways the "growth [re]cession" picture is much [ne]arer to popular perceptions [th]an official talk of recovery. [O]ne only has to watch any tele[vi]sion drama such as "Late [S]tarter" to witness characters [ta]lking of "the recession," just [as] much now as when output [w]as falling in 1980-81.

The true picture is probably [su]rprisingly in between official [cl]aims for recovery and the [gr]owth recession diagnosis. In [th]e past year and a-half, growth [h]as been sufficient to induce a [r]ise in employment; but this [h]as been mostly of part-time [fe]male workers not previously [re]gistered as unemployed; and [g]rowth has not been so far suffi[ci]ent to absorb the demographic [in]crease in the labour force.

Forunately, it may soon be [po]ssible to leave aside these [di]sputations, as the April CBI [su]rvey at long last shows signs [of] recovery in the fuller sense [of] an improvement in jobs—[th]e beginning of a beginning.

The CBI survey is confined to [m]anufacturing. So even a [m]odest fall in employment [tr]ends in the CBI survey would [b]e consistent with improving unemployment overall, if other sectors are taking on workers, as was the case briefly in the first half of 1984.

Now, however, the CBI survey itself shows virtually no expected change in numbers employed even in manufacturing

This is more optimistic than anything reported in the past decade, except for a brief period in 1976-77, and is probably a pointer to an actual fall in unemployment.

Another encouraging sign for jobs is that 29 per cent of respondents now give "expansion of capacity" as a reason for investment. Although still much less important than "increasing efficiency" or "replacement" this is the highest percentage in this category since the question was first asked in 1979.

Any report on British performance tends to be politicised

The CBI question regarded in Whitehall as the most revealing of the state of "demand" is "What factors are most likely to limit your output over the next four months?" The factor most frequently cited at nearly all times is "Orders or sales." But there has been a very sharp drop in this percentage, from the 80 per cent level of most of 1984 and January 1985, to 73 per cent in April.

To weigh against these indicators of improving demand and output is a slight rise in the inflation trend, which remains even when seasonal foodstuffs and mortgage interest increases are taken out of the Retail Price Index.

The CBI survey gives some substance to official inflation fears. The balance of firms reporting higher costs and charging higher domestic prices has risen sharply, largely in response to the effects on import costs of the earlier depreciation of sterling. But the forward-looking question suggests that these increases will subside, following the recovery of sterling, towards average 1984 rates.

The index of unit wage costs in manufacturing, which gives the Government so much concern, and which has risen to 5½ per cent per annum (compared with negligible increases or falls in the U.S., Germany and Japan) is probaby much exaggerated. The rise in average earnings—around 8½ per cent in manufacturing and 7 to 8 per cent in the economy as a whole—has changed very little in the last couple of years.

The main factor raising costs has been the apparent levelling off in productivity. The latter may well be a statistical fluke, reflecting coal strike distortions and the difficulties of making allowance for structural changes, such as the contracting out to low cost suppliers of services such as cleaning and maintenance.

But even if inflationary alarms are overdone, this is the last of all times for a UK demand stimulus. The new Employment Institute and Charter for Jobs campaign, which have made such a stimulus their number one aim have thus been singularly unfortunate in their timing.

They would not have been nearly so vulnerable if they had stuck to two basic and justifiable claims: (a) that high unemployment is not inevitable and that (b) Government has not done enough about it or acted soon enough. If they had come out with a more balanced package, which put as much emphasis on union monopoly and pricing out of jobs as on demand management, they would have made more sense even if they had attracted fewer politically motivated supporters.

Their comparison with the Anti-Corn Law League is singularly misplaced. Not only did the Corn Law League have one specific legislative demand—abandon the levy on corn imports—but the direction of the League was towards free markets and away from government intervention. In today's dubious terminology, the League was "dry" rather than "wet."

There would indeed have been far more point in reviving the Anti-Corn Law League itself—which today would obviously be a campaign to leave the Common Agricultural Policy and should have branches in all EEC countries.

Readers more interested in the conjunctional outlook than such speculation will wonder if there are special or temporary elements in the CBI good cheer.

One temporary element was the desire to place investment orders before capital allowances were cut in the 1985-86 financial year. Another element, which may not be so much temporary as the removal of a dampener, is the ending of the coal strike, which I always thought had more effect on output and jobs than official and mainstream forecasters were able to show.

The CBI survey almost certainly presupposes a trend decline in interest rates and sterling either stable or falling slightly against the D-mark. It suggests that businessmen have very sensibly driven an intuitive trend line through the exchange rate and interest rate fluctuations of recent months. Thus although the urgency of reducing interest rates may now be a little less, the underlying assumption is that they will be a couple of points lower by the turn of the year.

If we can make this assumption, Government projections of a Nominal GDP increase of 8½ per cent this fiscal year (or 7 per cent after allowing for coal strike distortions) are more likely to be exceeded than undershot. The main worry about inadequate nominal demand growth relates to 1986 and beyond, which—together with supply side reasons—is why I have suggested tax cuts for future years to be considered from the autumn onwards.

The international stimulus was unimpaired

In Germany and Japan, the case for such tax cuts is here and now. The five main German economic institutes argue that prospective 5 per cent Nominal GDP growth—2½ per cent real and 2½ per cent inflation—is not fast enough to dent unemployment and would like to bring forward tax cuts planned for 1986-88.

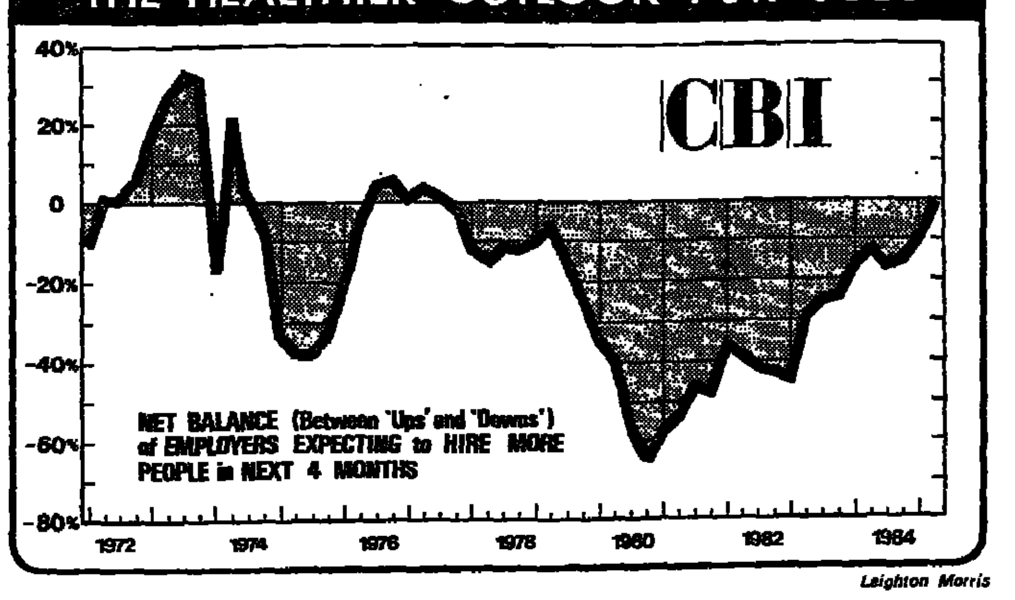
The emphasis is however on the tax cuts rather than higher borrowing per se; and four out of five recommend reductions in government subsidies too.

The Japanese "problem" is that of a high savings ratio, which out of international political prudence, rather than economic logic, the Government ought probably to borrow for budgetary purposes, thereby also boosting interest rates and the yen. This would be a much more constructive approach to the trade impasse with the U.S. than the surcharges under discussion in Congress which could perversely raise the dollar and depress the yen.

As for the U.S., the long predicted contractionary effect of a slowdown on the rest of the world has yet to occur. Not only were there many abnormal features in the slowdown in the U.S. growth in the first quarter of 1985. Even taking the numbers at face value, the drop was not in demand growth, but in the share of that demand, taken by U.S. producers. The greater part was reflected in higher imports and reduced exports. Thus the international stimulus was unimpaired.

The U.S. overseas deficit may not be sustainable; and the time may thus come when other countries will have to relax monetary and/or fiscal policy to offset a U.S. slowdown. But by crying "wolf" too often and too soon, and neglecting the underlying domestic roots of high unemployment, the "reflationists" spoil their own case on those occasions when they are talking sense.

THE HEALTHIER OUTLOOK FOR JOBS



Leighton Morris

Lombard

France's creeping privatisation

By David Marsh in Paris

IN KEEPING with the new-look (a word now regrettably in pervasive use by the French media) of the not-so-Socialist government, France's state-owned banks and industrial companies present a greatly changed picture compared with three years ago.

Profits have been assigned highest priority. Chairmen talk almost boastfully of their success in cutting back staff in the bid to boost efficiency.

Some of the rigidities brought about by nationalisation have been broken down, with state enterprises freer even than a year ago to reshape their operations by swapping corporate assets with the private sector. And the companies and banks, while remaining 100 per cent state-controlled, have slung an ingenious series of ropes to the financial markets through issues of loan stock and non-voting shares as well as diverse equity-raising operations by subsidiaries.

Compared with the changes in attitudes since 1981-82, the ultimate step of denationalisation might seem to be a highly symbolic but relatively less important event in the process of reducing state intervention in the economy.

The most significant aspect of any move by a future government—of the left or the right—to sell back assets to the private sector will be whether further efforts are made to loosen the general relationship between the state and the country's large business enterprises.

The Mitterrand government made initial mistakes by carrying out the 1982 nationalisations at great cost and on purely ideological grounds (a certain economic case, for certain companies, did exist) and then tying the newly-acquired groups to a proliferation of impossibly contradictory objectives.

But it is worth noting that, after their subsequent U-turns, the Socialists have turned out in many cases (for instance in attitudes to foreign collaboration) to be less interventionist vis-a-vis state groups than was the previous right wing administration towards the same companies when they were privately owned.

The point that the policy environment matters as much as or more than the mere act of denationalisation is made by M Jacques Mayoux, the chairman of Societe Generale. M Mayoux's outspoken views on state interference make him top of the list of the nationalised sector bosses likely to be kept on if the right returns to power.

"Nationalised banks are on the market. If they are denationalised there will still be the market," he says, pointing out that the most important influence on bank's affairs will come from whether further moves are made to loosen up the still highly regulated framework of French banking.

The technical problems of returning assets to private ownership cannot be disregarded. The small size of the French equity market (even though, paradoxically, share-buying interest has boomed since the nationalisations) and the relatively fragile finances even of profitable state groups, represent clear handicaps.

In addition, it is by no means clear whether denationalisation—especially of Renault or the big banks taken into state ownership just after the war by General de Gaulle—would be electorally popular.

The right-wing opposition may have scored an own goal by clamouring in some quarters for the prompt denationalisation of Renault (which just happens to have lost FFr 12bn last year) and advancing the somewhat strange notion that nationalised banks are incompatible with a free society.

Denationalisation fervour has incidentally irritated some of the more seasoned nationalised industry bosses (not just those who would expect to be out of a job if the right returned) who say fear of more shake-ups is unnerving managers.

None the less, if handled in the right way, French denationalisation could be a considerable success. It should not be beyond the wit of President Mitterrand's image-builders to work out that Socialist efforts to improve the profits of nationalised industries—enabling some of their shares to be sold back on the bourse at a higher price than they were bought—might constitute an astute and potentially vote-winning piece of financial management.

Letters to the Editor

Speaking out at Lloyd's

[F]rom Mr J. Rew

Sir, — You quote Mr Ian Hay [D]avison (April 20) as saying [th]at "Lloyd's auditors have [f]ailed to speak out."

They have failed to speak out [b]ecause they have had little [in]centive to do so. This is [b]ecause they have seen them[s]elves as only being accountable [t]o those people against whom [th]ey would have had to speak [o]ut. Mr Davison says that "The [a]uditors did not see it as their [d]uty to draw the Lloyd's mem[b]ers' attention to 'what was [a]foot.'"

I suggested to Lloyd's that [th]e appointment of syndicate [a]uditors should be approved by [t]he syndicate members; this has [b]een ignored by Lloyd's. This [i]s such a simple proposal and is [f]undamental to corporate struc[t]ures. By itself, of course, it [w]ould not prevent abuses. But [i]t would provide a forceful [r]eminder, as to who is the prin[c]ipal, to auditors and agents [a]like. In addition, and even [m]ore important, it would pro[v]ide a means of holding a for[m]al meeting of the syndicate [m]embership. This is not a [s]imple matter, but my sugges[ti]on was detailed and overcame [t]he "severe practical difficul[t]ies," as they have been called [b]y one Lloyd's report. (Perhaps [a]dding, under its breath, "would that it were impos[s]ible.")

It seems that Lloyd's regards [s]uch proposal as an encroach[m]ent on the principle "each for [h]is own part and not one for [a]nother." It is, however, quite [p]ossible for owners of loan [s]tocks or unit trusts to enter [i]nto a deed which allows them [t]o hold meetings and pass reso[l]utions without their being [b]ound together in any other way.

The value of this suggestion [c]an be shown, for instance, in the recent news from the PCW syndicates. This cries out for a meeting of syndicate members at which resolutions could be put and which, if passed, would then be binding on all the syndicate members. For instance, independent accountants and advisers could be appointed to represent all the members of the syndicate at joint expense. At present a few hardy individuals have to make the running with the rest riding on their coat tails.

One of the sources from which self-regulation at Lloyd's could spring is from the vas untapped goodwill of the non-working members of Lloyd's, which I was able to see in the Association of Lloyd's Members. If they were in a position to call meetings of syndicate members to put resolutions which would then bind all the members of the syndicate, then such goodwill and constructive criticism could be harnessed at last.

Undoubtedly, some agents are fearful of syndicate meetings. In view of the various revelations during the past three years, it is not hard to understand why. Lloyd's, however, is being dilatory if it does not seek every assistance to ensure that self-regulation works.

John H. B. Rew.
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The future of state pensions

From Mr E. Whiting

Sir, — If Robin Pauley's report (April 29) is correct, the decision to abolish the state earnings related pension scheme (SERPS) must be one of the most extraordinary, if it is intended to reduce net Government expenditure.

In the short term it will do nothing. In the long term it will mean the continuation of supplementary benefit to more pensioners than there would be otherwise. People now contributing to SERPS through national insurance are not likely to take up private pension policies in great numbers, at least until they reach the age when they begin to think about pensions — not until at least 40, in my experience. Those who do, will obtain full tax relief, whereas the extra NI contribution has no such deduction.

In 1983 the Government Actuary predicted "little pain and grief due (to the Government) in the next 15 to 20 years." On the whole, SERPS seems to be a good deal for the state, but poor for the contributors. It was a great achievement of all-party consensus in 1975 following detailed research.

On retirement, if SERPS is abolished, people will have tiny pensions from the Graduated Pensions Scheme (abolished 1975), SERPS (abolished 1987), the flat-rate NI pension, a little bit from a private pensions policy, something perhaps from a future Government's scheme, and supplementary benefit if that is not enough. What a way to run a railroad!

Edwin A. Whiting.
Shudehill House, Hayfield, via Stockport.

Bureaucratic monstrosity

From Mr W. Bailey

Sir,—Like every other small business, I have been completing my end-of-year PAYE returns. Few businesses are smaller than mine, yet I've received 31 different forms, instructions, etc from the Inland Revenue, many of these in multiple copies and running up to 60 pages in length.

Has any member of this Government ever set eyes on this material? I challenge him to do so, and to justify through this bureaucratic monstrosity in the light of the Government's claim to be the champion of small business.

By the way, entrepreneurs and small businesses neither want nor need government "assistance." As my example shows, "government" is the obstacle, not the solution to the flourishing small business sector.

W. H. Bailey.
Cliff House, Llancarfan, Barry, S Glam.

Site value rating

From Mr H. Wilks

Sir,—It must surely be clear that any poll tax will be socially unacceptable and electorally a disaster. A tax on the right to vote, cannot claim popular support. Replacing rates it may be, but electors will see it as "jumping out of the frying pan into the fire."

There is to be a "uniform local business tax." Based on profit? If so, it is a direct attack on endeavour on the number of employees? Surely, we have got beyond a payroll tax. Or is it to be based on the size, quality and value of the premises? If so, how does it differ from rates?

I am totally nonplussed at the Government's obsession with abolishing rates. Surely, it is time that it and its advisers realise that rates are — or could easily be made to be — the only fair tax that we have.

A tax on the value of land can be quite simply justified. Without community endeavour land would have subsistence value only. Any value higher than that has been created by way of investment over years. The community has created that value so it is a fair basis of tax that that increased value should be returned annually by way of tax to the community. Our present system of land tax, that is rating, is by no means perfect and can be improved. A tax on land is too good a tax to be thrown lightly aside. The owner or occupier can be found and cannot escape. If unpaid, the taxing authority could be enabled to enter and seize the rents and profits from the land. It is cheap to collect.

Even fairer than our present system of rating land and buildings would be a method of rating the land only. The hard core of the value lies in the site. It is the owner who gets the benefit of the increasing value of his land. It might therefore be thought more appropriate to rate the owner rather than the occupier.

Site value rating as it is usually called, is a perfectly workable system. It works in a large number of countries abroad. It has been shown in two tests (1963 and 1973) that it can be made to operate in the UK. A site value tax could be updated annually and the rate in the pound should never exceed £1.

It would be far better if the Government would abandon its thoughts of abolishing rates and instead consider how this tax can be improved.

Hector M. Wilks.
9 Harley Street, W1

Modern dance popularity

From the Director General, Contemporary Dance Trust

Sir,—I have just returned from a highly successful tour of Switzerland with London Contemporary Dance Theatre, and so have only just seen the short article on your Arts Page on April 22. This article, and especially its headline "Modern dance losing popularity" gives a misleading interpretation of a recent Mori poll. Mori has confirmed that the poll was commissioned by the BBC's Kaleidoscope programme to elicit public attitudes on the issue of arts funding. It was not intended to be a statistical analysis of audience figures. Nor was it directly comparable with an earlier poll in form and content.

The true picture is quite the reverse of the impression given by your article. Figures for the period in question, ie 1981-1984, as supplied by the Arts Council, show that combined audiences for London Contemporary Dance Theatre and Ballet Rambert, Britain's two largest modern dance companies increased by 22 per cent.

Robin Howard.
16, Flaxman Terrace, WC1.

Higher paid employees

From Mr R. Hill

Sir,—What an irony, that, at the time we are told that one needs to earn approximately £160.00 per week to be better off than receiving dole payments, wages departments throughout the country should be feverishly completing P11D's for directors and "higher paid employees" earning over £8,500 per annum (£163.46) a week!

R. D. Hill.
Pancheta, The Street, Cressing, Nr Braintree, Essex.

FINANCIAL TIMES

Thursday May 2 1985

Tunisian assembly venture for VW

By John Davies in Frankfurt

VOLKSWAGEN, the West German motor group, is expanding its presence in North Africa through a plan to assemble cars and light commercial vehicles in Tunisia.

The project entails a joint venture undertaking by Tunisian businessmen, development banks and the companies that import VW and Audi vehicles into Belgium and Tunisia. VW will back up the initial planning and will supply kits for assembly under a co-operation agreement, but it is not otherwise directly involved.

Annual production of about 3,000 Golf and Jetta cars and 2,000 commercial vehicles is envisaged from a Tunisian plant. Assembly is to start by mid-1987 at the latest and will build up to full-scale operations by the end of 1988.

The assembly plant will not be built by VW but by the joint venture partners. It will be erected at Bou Arada in the Siliana district at a cost of about DM 50m ($16.2m).

The plant will provide a boost for local employment and for local business interests. When operating at full capacity, it will provide jobs for about 400 workers in one shift. In addition to kits exported from West Germany, the vehicles will also use parts bought from Tunisian suppliers.

The assembly project is the latest in a number of ventures under which VW has embarked on or is planning vehicle output outside West Germany.

Apart from its major production operations in Belgium, the U.S., Latin America, Nigeria and South Africa, VW's other foreign activities have included arranging vehicle assembly through Seat in Spain, TAS in Yugoslavia and Nissan in Japan. It is also heavily engaged in setting up its large-scale joint venture with the Chinese.

VW has not indicated which markets will be supplied from the Tunisian assembly plant.

Overall responsibility for planning the Tunisian project rests with D'Ieteren of Brussels, the Belgian VW and Audi importer. VW said this company had wide experience of car assembly operations as well as traditionally good business connections in North Africa.

The Tunisian joint venture undertaking will also look after marketing, service and replacement parts for locally assembled and imported vehicles of the VW group.

British Aerospace share issues to raise £550m

BY STEFAN WAGSTYL IN LONDON

THE £550m ($677m) offer for sale of shares in British Aerospace (BAe), the largest London stock market offering since the flotation of British Telecom, has been priced at 375p a share.

The UK Government is selling its remaining 48.4 per cent holding in the aerospace group – or 96.8m shares – to raise about £363m in the latest stage of its privatisation programme.

At the same time, the company is raising £187m in a one-for-four rights issue of 50m new shares, which will increase the group's market capitalisation to just under £1bn.

Announcing details of the offer, Mr Geoffrey Pattie, Information Technology Minister, told the House of Commons that the sale would benefit both Britain and the aerospace industry.

He denied Labour claims that the Government had reneged on a pledge to retain 25 per cent of BAe, and said that a special share, designed to enable the Government to block a foreign takeover, would "totally safeguard the national position."

British financial institutions, which have underwritten the issue, have been allocated 55 per cent of the offer, in a placing similar to that carried out in the BT flotation.

Another 3.5 per cent of shares are being offered to BAe employees, 17.5 per cent to existing shareholders, and the remaining 24 per cent to the public.

The shares are being offered at a 5.1 per cent discount to the stock market price on Tuesday night, when the Government and the company finally settled the price. Yesterday BAE shares fell 5p to 390p.

At 375p, the shares are priced at 6.94 times the company's earnings per share for 1984, when BAe made increased profits of £120m pre-tax on turnover of £2.5bn. On the 1984 dividend of 13.65p, the yield is 5.2 per cent.

Applications for shares must be received by 9am on Friday week. The prospectus, launched yesterday, will be advertised in newspapers on May 3. Investors taking up the offer will have to pay 200 a share on application and the balance by September 10.

The cost of the issue is put at £18m, with the Government paying £10m and the company the rest.

Kevin Brown writes: The Government rejected Opposition claims in the House of Commons that the sale of its remaining shareholding in BAe was a betrayal of a vital national interest.

Mr Geoffrey Pattie, the Information Technology Minister, said the special "golden share" which will be retained by the Government would safeguard the national interest.

Both Labour and Alliance Members of Parliament claimed the sale had more to do with the Treasury's desire to raise extra cash than with efficiency or productivity in the aerospace industry.

Conservative MPs welcomed the announcement, however.

See Lex; Details, Page 32

UK may place Westland order if Bristow takeover succeeds

BY LIONEL BARBER AND MICHAEL DONNE IN LONDON

THE UK Government is prepared to buy up to 21 Westland helicopters worth £65m ($80m) if an £89m takeover bid for Westland by Mr Alan Bristow succeeds.

Mr Bristow has powerful support among ministers and British equipment manufacturers, but new management at Britain's sole helicopter maker will not solve Westland's immediate problem of a shortage of orders.

Ministers are concerned that Westland could start to lay off up to 1,000 workers in the next six weeks as a result of the failure to clinch an order for 21 W30 helicopters with the Indian Government.

One serious option being canvassed in Whitehall is for the Government to buy the helicopters itself. Though this carries a number of risks, it is nevertheless seen as a means of avoiding heavy redundancies in Yeovil, south-west England, where Westland is based.

Westland confirmed yesterday that work had stopped on building the W30s for export to India. So far almost five have been completed, with 16 more to come. However, the company denied that heavy redundancies are imminent. "I have heard the figure of 1,000 mentioned from Government but it's nothing like that serious," said a Westland spokesman.

Westland said yesterday that it was unaware of the partial rescue plan but added: "It would be an obvious possibility."

The difficulty for the Government is that it would have to favour publicly either the current Westland management or the consortium headed by Mr Bristow, the 61-year-old founder of the UK helicopter operators, Bristow Helicopter.

Officially there is no favourite candidate, but privately both the Ministry of Defence and the Department of Trade and Industry are disenchanted with the current senior management at Westland and see the Bristow team as "a breath of fresh air."

This view is also shared by middle management within Westland, who feel frustrated that their marketing and design talents are not being exploited. A further criticism, shared by ministers, is that the trade unions at Westland have grown too powerful. Mr Bristow, who has a reputation for toughness with unions, is therefore welcomed, though with some apprehensions.

The option of the UK Government placing an order for the W30s has obvious attractions. The Indian Government is due to pay for its W30s through a chunk of its overseas aid from Britain, amounting to £45m this year and £20m next year. The order, in effect, is a gift.

Last week, Mr Timothy Raison, Britain's Overseas Development Minister, warned Mr Rajiv Gandhi, India's Prime Minister, that India could lose £45m of aid if the W30 deal does not proceed. Withdrawing the aid and transferring the order to Britain would risk a showdown with Mr Gandhi, but ministers argue it would save jobs and would not incur any real increase in public spending.

Nigeria to admit Opec auditors

By Dominic Lawson in Geneva

NIGERIA yesterday came back into line with the efforts of the Organisation of Petroleum Exporting Countries (OPEC) to establish a clear picture of the organisation's observance of its pricing and production rules.

Last December, when Opec was deeply worried that its control over its prices and production was weakening, it commissioned a Dutch-based international firm of accountants, Klynveld Kraayenhof, to conduct a regular audit of Opec prices and production.

However, up to now the auditors have been kept out of Nigeria, which in the past few months has been Opec's main transgressor of production discipline, producing about 400,000 barrels a day over its quota of 1.3m b/d.

But after what were described as "frank discussions" with Opec's ministerial executive council, the Nigerian Oil Minister, Prof Tam David-West, proclaimed that the auditors would now be welcome "at any time" and that a date for their visit would be decided "in the next few days."

The auditors seem convinced, on the basis of their visits to other Opec states, that a regular audit, at least of Opec exports, is feasible.

Sr Arturo Hernandez Grisanti, the Venezuelan Oil Minister, said yesterday that the next meeting of the ministerial executive council, which would take place in June in Saudi Arabia, would have audited figures of Opec exports. He conceded that in March Opec may have produced up to 500,000 b/d more than its 16m b/d production ceiling.

Within Opec there are grave doubt that the auditors will be able to produce a set of Opec pricing accounts, despite the fact that the organisation's main purpose is to control oil prices. The proliferation of complex barter deals has made it almost impossible to divine the extent of members' observance of Opec official prices.

However, the Nigerian Oil Minister said yesterday: "The auditors will be including prices in their work. What is the point of monitoring production of there is price discounting? We have an official Opec price and the auditors will monitor that."

On the problem of oil counter-trade, in which Nigeria has recently been active, Prof Tam David-West said "every counter trade agreement is backed by a document on which the prices are stated." But oil experts point out that even if state oil companies nominate official Opec prices in counter-trading sales, the recipients of the oil are not obliged to sell the oil at the same official prices.

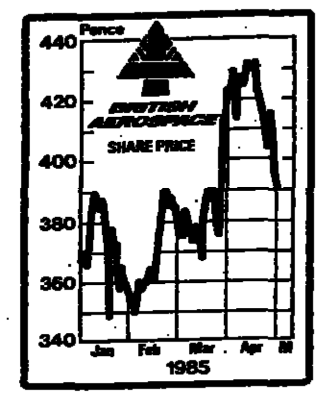
THE LEX COLUMN
Lloyds' elixir of eternal life

When the Bank of England published its guidelines last November on what sort of perpetual floating rate notes would count as primary capital, clearing bankers threw up their hands in horror. The Eurobond market would not stomach bonds that ranked in the creditors' queue alongside equity, they claimed. But Lloyds Bank's $600m issue yesterday showed that the market will not just stomach them: it will ask for second helpings. The amount was increased from $400m almost as soon as it was launched and still the floater traded at a premium. Though Lloyds might be accused of having been too generous, the bond must have been difficult to price, being the first of its kind. Anyway, Lloyds Bank International, as lead manager, will earn close to $2m of the profit on the deal in-house.

The moral seems to be that Eurobond investors do not care very much about the small print – yesterday, they had no chance even to read it since prospectuses were not available. Apparently, they assume that if a British bank were to get into trouble, the Bank of England would stand behind it. And, more cynically, since most of the investors are other banks, if Lloyds were to run into problems serious enough to pass its dividend, they might already have gone under themselves.

For Lloyds, the deal is a great coup. For the first time, it has managed to raise dollar primary capital to match its dollar assets, which should avoid a repeat of last year, when the strength of the dollar put pressure on the banks' gearing. Lloyds' free capital ratio will now rise from 5 per cent to 6.3 per cent, putting it comfortably ahead of the other clearers. Even if it could have saved itself the odd basis point on pricing, the cost of issuing preferred stock would have been about 4 percentage points over Libor (including the extra tax) compared with 0.375 of a percentage point (including fees) for the floater.

Midland Bank will now almost certainly follow suit, though it will probably wait until its buyout of the Crocker minority is complete. Judging by Lloyds' success, it may even be able to pay the same margin over Libor for its money.



Trafalgar/Haden

The struggle for the future of Haden has been marked by unusual languor, with deadlines missed and cards played so close to the chest that even shareholders' interest must have waned. Yesterday's appearance, as if by self-generation, of an in-house white knight has left much of the murk intact and it is hard to imagine Trafalgar House responding before it gets a clearer view.

Trafalgar House has made such detailed charges that Haden is overtrading on its asset base, that a second offer above this week's share price would have looked a little implausible. With the Haden share price closing yesterday 22p up at 332p, Trafalgar House would need to want its quarry very badly indeed to bid again.

Everybody else will have to wait to see what structure of equity, debt securities and borrowings Haden's board unveils to scare off the invader. It will be interesting to see whether the import from the U.S. of leveraged takeover defences also implies the import of junk bonds issues.

Whatever the shape of the buyout, Haden's two non-executive directors will find themselves thrust into unaccustomed prominence and Trafalgar House may justifiably worry that the whole business is minefield of potential conflict of interest.

It is hard to see Haden shareholders accepting from the consortium less than about 350p a share; and given the inflexibility of any buyout, this price will be vulnerable to a small increase from Trafalgar House. But a turn of £1 or more a share looks good enough for anybody.

As for the Haden board, its managing director is new enough to escape the main objection to leveraged buyouts: that managers may do nothing for the share price when working for shareholders, but can reap the benefit once they start working for themselves. Anyway, once in the hands of its own management, whether Haden is overtrading or not will cease much to concern the investing public.

British Aerospace

The ways of the City of London are mysterious indeed. Yesterday the underwriting community was offered what looked by any standards a generous deal on British Aerospace and responded by grumbling about the tight pricing. A discount of 5.1 per cent to the prevailing market price was not, it was suggested, quite enough.

Set against a conventional rights issue discount the pricing may indeed look tight. But, since the news of the forthcoming offer has been in the market since the middle of January, the price should already have adjusted to reflect the arrival of new equity. In the past fortnight the BAe share price has fallen by almost 9 per cent, suggesting that the institutions have indeed been clearing the decks for the fixed price offer.

The discount, therefore, should in theory be a supplementary commission, insuring the underwriters against adverse price movements during the offer period. Given that the underwriters are at risk for only 10 days – half the length of a rights issue – a 5 per cent discount looks thoroughly reasonable. Add in a concession on stamp duty and partial payment, which between them add another 3 per cent to the effective discount, and the terms fringe on the generous.

But what made yesterday's cavilling especially misplaced was the size of the commission payments. The issue's sponsors have reproduced the British Telecom arrangement, whereby institutions are offered 1½ per cent on the 55 per cent of the issue they take firm and a further 1¼ per cent on their commitment as sub-underwriters for the remainder. BT, however, was a much bigger operation and a primary offering. To replicate the commissions on a smaller secondary issue looks like public charity.

The institutions have argued that, unlike BT, British Aerospace is not a core holding. This is a little disingenuous. The only other British company in the aerospace sector is Westland, which is not everyone's favourite just at the moment. In dealing with the institutions, the Government has not surprisingly always taken the view that discretion is the better part of valour. But, in a market which is changing as rapidly as London, there is no reason why commissions should be immutable.

Haden sets up buyout to head off Trafalgar

By Martin Dickson in London

HADEN, the UK engineering company, yesterday adopted a novel tactic in its attempt to fight off the £37m ($45.8m) takeover bid from Trafalgar House, by announcing that it was putting the finishing touches to a rival offer in the form of a management buyout.

If the new offer becomes concrete, it will be the first time a management buyout will have been attempted in Britain as part of a takeover battle. Buyouts of this kind are a common feature of takeover bids in the U.S.

Haden's shares rose sharply following the news, to close last night at 332p, up 22p on the day and 92p above Trafalgar's 240p a share cash offer.

Haden said detailed discussions were taking place with a consortium with a view to agreement on the terms of an offer for the company. Shareholders of the consortium company would comprise members of Haden's senior management and a number of institutional investors, including Electra Investment Trust and Globe Investment Trust.

Full details of the offer are expected by the weekend, possibly this afternoon.

Redundancies at Scott Lithgow, Page 11

U.S. revises its list of duty-free goods from developing countries

BY NANCY DUNNE IN WASHINGTON

THE U.S. has dropped $1.95bn worth of products from its list of developing country imports granted duty-free treatment.

The eliminations from the U.S. Generalised System of Preferences (GSP), announced yesterday by Mr Michael Smith, acting U.S. trade representative, are a continuation of previous U.S. policy which each year "graduates" competitive imports from middle income countries. Such products as handbags, luggage and leather apparel were already excluded from the GSP by last year's trade legislation.

Products "graduated" this year include saccharin from Korea; chemicals from Israel; concrete blocks and bricks from Mexico and acrylic sheet from Taiwan.

Ambassador Smith also announced that the U.S. has added $41m worth of imports to the programme and readmitted $246m worth of imports previously removed. The U.S. did not, however, readmit Mexican beer to the programme, despite the controversy over its removal at the request of U.S. brewers two years ago.

New products added to the list include CB radios, clock cases and parts, infant plastic and rubber pants and cabbage.

Products are removed from the GSP list in response to petitions filed from U.S. producers. A product can lose its GSP standing when its imports equal or exceed 50 per cent of the value of the total U.S. imports of the product or when they exceed a certain dollar value ($63.8m in 1984).

Because of these "competitive need exclusions," about 31.8 per cent of Taiwan's exports to the U.S., worth nearly $4.4bn, has been excluded from the programme. Mexico has lost duty-free treatment on about 22.7 per cent of its exports to the U.S., worth $3.14bn.

About 16.2 per cent of Hong Kong's 1984 exports to the U.S., worth $2.34bn, are no longer on the list.

Although the U.S. has been narrowing the coverage of its duty-free imports, it still grants tariff preferences to about 3,000 products from some 140 Third World nations and territories. Last year about $13bn in U.S. imports received GSP treatment, an increase from $3.2bn in 1976, when the programme began.

U.S. cuts package faces uphill battle

Continued from Page 1

and angry House Republicans who saw the seat awarded first to them after the November election have begun to disrupt normal parliamentary business in protest.

One budget official said yesterday that, partly because of this procedural row, he doubted that the House would even begin work on its version of the budget before the middle of the month.

Spanish MEPs to join conservative group

BY QUENTIN PEEL IN BRUSSELS

BRITISH CONSERVATIVES and Spain's Alianza Popular yesterday signed an agreement under which the two parties will link in the European Parliament when Spain joins the EEC.

The agreement reached in Copenhagen means that an expected 15 Spanish MEPs in the Alianza Popular (AP) will join the European Democratic Group at present dominated by 45 British Conservatives, with one Ulster Unionist and four Danish Conservatives.

The AP, the right-wing alliance led by Sr Manuel Fraga, a former information minister under General Franco, has been cautiously wooed by various centre-right groups in the parliament. The Conservatives were particularly keen to attract them in order to dilute the overwhelmingly British flavour of their group in contrast to the more broadly-based Christian Democrat group (the European People's Party) and Liberal Group.

For the AP, membership of the EDG will help bring it into the mainstream of European conservative politics, and distance it from any links with the Franco era. However, individual members have strongly conservative views on specific issues.

Lloyds to raise £600m

Continued from Page 1

Lloyds' terms have the same effect to absorb losses.

For Lloyds, the issue is a cheaper way of raising primary capital than equity because interest payments are tax deductible. By its own calculations, it will now have the strongest capital ratios of Britain's four largest commercial banks. Because the issue is denominated in dollars, it also allows Lloyds to increase its currency business, and acts as a buffer against foreign exchange fluctuations.

The issue was devised by the capital markets team of Lloyds' newly formed merchant banking group and won widespread praise.

Swiss move to outlaw insider deals

Continued from Page 1

before the announcement of its merger with the Kuwait Petroleum Company.

Another instance concerned Ellis AG, a brokerage company in Zurich, through which the SEC alleged some 20 investors had reaped large profits over a seven-year period by buying shares in U.S. companies before takeover announcements.

The Swiss on their side have resented what they have felt to be clumsy, sometimes arrogant, attempts by the Americans to impose U.S. law on their own legal codes and methods of gathering evidence.

In 1982 a memorandum of understanding was signed by the two countries, partially extending the scope for legal assistance from Swiss authorities to U.S. courts bearing insider trading cases. The memorandum will lapse once the new Swiss law comes into effect.

John Wicks adds from Zurich: The existing Swiss penal code allows fines or imprisonment only in cases where persons with "legal or contractual obligations" divulge what the law calls manufacturing or business secrets.

The lack of a specific clause in the law books has made it very difficult for the Swiss Government to grant legal assistance to other countries in cases of foreign insider deals.

Such aid is permissible only when the alleged offence is punishable under Swiss law.

In the past years there have also been a considerable number of obvious insider deals on Swiss stock exchanges, some of them apparently involving banks.

For both external and domestic reasons, there has therefore been widespread agreement within Switzerland that some kind of insider law is now necessary.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	S	18	64	Dubrovnik	S	17	63	Malaga	S	22	72	Salzburg	R	11	52
Akrotiri	S	19	66	Faro	C	20	68	Malta	S	20	68	Seoul	C	23	73
Algiers	S	28	82	Florence	F	20	68	Manila	S	33	91	Singapore	F	29	84
Amsterdam	C	10	50	Frankfurt	C	13	55	Miami	C	27	81	Stockholm	C	3	37
Athens	S	19	66	Funchal	C	17	63	Milan	S	22	72	Strasbourg	C	15	59
Bahrain	S	30	86	Geneva	C	15	59	Moscow	R	5	41	Sydney	F	19	66
Bangkok	S	35	95	Gibraltar	F	20	68	Munich	R	9	48	Taipei	C	28	82
Barcelona	S	20	68	Guernsey	S	10	50	Nairobi	F	23	73	Tangier	—	—	—
Beirut	S	21	70	Helsinki	D	5	41	Naples	C	18	64	Tehran	—	—	—
Belgrade	S	18	64	H. Kong	C	24	75	New Delhi	S	41	106	Tel Aviv	C	19	66
Berlin	R	8	46	Innsbruck	F	14	57	New York	C	29	84	Tenerife	C	19	66
Biarritz	S	17	63	Inverness	F	10	50	Nice	S	17	63	Tokyo	S	24	75
Blackpool	F	9	48	Istanbul	S	13	55	Oporto	S	26	79	Toronto	S	14	57
Bordeaux	C	19	66	Jersey	F	15	59	Oslo	R	4	39	Tunis	S	23	73
Brussels	C	9	48	Jo'burg	S	25	77	Paris	C	15	59	Valencia	S	21	70
Budapest	C	12	54	Las Palmas	C	19	66	Prague	R	11	52	Venice	S	16	61
B. Aires	S	14	57	Lima	S	23	73	Reykjavik	F	6	43	Vienna	R	11	52
Cairo	S	27	81	Lisbon	F	20	68	Rio de J'o	R	35	95	Warsaw	C	7	45
Cape Town	S	20	68	Locarno	S	23	73	Rome	C	18	64	Zurich	F	12	54
Caracas	S	27	81	London	F	13	55								
Casablanca	—	—	—	Los Angeles	C	26	79								
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Readings at mid-day yesterday:

C–Cloudy D–Drizzle F–Fair Fg–Fog H–Hail R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

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SECTION II – INTERNATIONAL COMPANIES

FINANCIAL TIMES

Thursday May 2 1985

U.S. Steel suffers sharp setback

By Our New York Staff

U.S. Steel, the largest U.S. steel manufacturer, suffered a sharp setback in earnings in the first quarter despite a modest recovery in its steel division.

The decline was partly due to a reduction in extraordinary gains this year to $121m against $199m in 1984. After accounting for these, net income amounted to $58m, or 24 cents a share, against $171m, or $1.35 a share in 1984. Sales fell to $4.5bn from $4.8bn.

The main decline in trading profits came in the group's big oil and gas division, which declared pre-tax operating earnings of $293m on sales of $2.5bn, compared with $363m on sales of $2.6bn in the first quarter of 1984.

In the steelmaking division, which is now being helped by various import restraint agreements, operating profits rose to $34m on sales of $1.6bn, compared with $4m on identical revenues last year. These results were achieved despite problems with the start-up of a new blast furnace at the Fairfield plant.

Long-term debt was reduced by $253m in the quarter, well ahead of the debt restructuring objective of $850m, while asset sales totalled $121m against the group's target this year of $500m.

HK rail group reduces loss

HONG KONG – Kowloon-Canton Railway, a quasi-public mass-transit system in Hong Kong, reduced its consolidated losses by 58 per cent to HK$65m (U.S.$8.35m) last year.

Sir John Bremridge, the colony's financial secretary, said the railway's total revenue was HK$410m and net operating profits amounted to HK$148m. AP-DJ

General Foods warns of first-quarter downturn

BY WILLIAM HALL IN NEW YORK

GENERAL FOODS, the big U.S. foods group whose products range from Maxwell House coffee to Jell-O, reported virtually flat net earnings for the year ended March 30 and said results in the current quarter were likely to be "moderately below" last year's very strong performance.

Net profits for the year were $324.9m or $6.61 a share, up from $317.1m or $6.10. The latest period includes a $17m loss from an accounting change and a $20.7m after-tax provision for restructuring several international operations. These were offset by a $59.8m net gain on the sale of a pet foods business.

In the fourth quarter, net profits including the $17m accounting change loss were $104.7m or $2.18 a share, against $117.3m or $2.26. Sales edged up from $2.27bn to $2.36bn, taking full-year sales to $9.02bn from $8.88bn.

Mr James L. Ferguson, General Foods' chief executive, said that the group made important progress in fiscal 1985. Strong marketing support and another leadership year for new products increased the group's market share and resulted in good volume momentum.

"The strength of our brand franchises now reflects the significant investments we've made over the last several years and as a result we expect a substantially improved financial performance in the fiscal year we have just entered," he said.

He added that the group's earnings per share were below expectations due to the continuing strength of the U.S. dollar and lower than anticipated earnings from powdered beverages and the red meat operations of Oscar Meyer.

The group says that its sales growth reflected higher volumes, substantial new product activity and several acquisitions in the U.S. and overseas, which more than offset the effect of the strong dollar and the absence of pet foods revenues, following the sale of the Gaines pet foods business in June 1984. The earnings per share were boosted by the company's recent share repurchase programme.

American Can profits up 26%

BY OUR NEW YORK STAFF

AMERICAN Can, the U.S. packaging company which has moved heavily into financial services and speciality retailing, announced a 26 per cent increase in earnings in the first quarter of this year as it benefited from an improvement in all its divisions.

Net income amounted to $35.4m or $1.20 a share, against $28.1m, or $1.01 a share, while consolidated sales fell to $607.9m from $788.8m, following the disposal of several of its operations. Total revenues, including the group's non-consolidated financial services subsidiaries, amounted to $912m compared to $1.03bn.

The Greenwich, Connecticut-based company said that its packaging activities had made gains in both its domestic metals and plastics businesses, but improvements in international packaging operations were offset by the impact of the strong U.S. dollar during the quarter. The acquisition of the flexible packaging interests of Champion International is expected to be completed shortly.

The group is now in the process of acquiring Berg Enterprises, a New Jersey mortgage banking firm, which will bring expenditure on diversification into the financial services sector to $1bn

Chevron slips despite higher sales

BY OUR NEW YORK STAFF

CHEVRON, the San Francisco-based oil company which bought Gulf Oil for $13.3bn last year, has reported a 6 per cent decline in first-quarter net income to $378m, despite a 73 per cent jump in revenues to $12.6bn.

Mr George Keller, Chevron's chairman, attributed the earning decline to the company's decreased crude production overseas and lower domestic natural gas production. He noted, however, that the inclusion of Gulf's earnings and the dramatic improvement in domestic gasoline prices at the end of the first quarter partially offset these negative effects.

The group's earnings per share declined from $1.10 last year to $1.03 in the latest quarter.

Worldwide refining and marketing operations turned in a $53m profit in the first quarter of 1985 compared with a $14m loss last year. The group's worldwide earnings from exploration and production operations rose 22 per cent to $453m in the first quarter

Judge sets UPI rescue in motion

By Terry Dodsworth in New York

A U.S. Federal bankruptcy judge has approved a temporary financing plan for United Press International (UPI), the struggling international newsagency, which filed for protection from its creditors at the weekend.

The judge's action, designed to keep UPI in business while it works out a longer-term survival programme, coincided with an announcement of negotiations for the sale of the group to Mr Pedro Lopez, a Florida businessman.

According to an attorney for Mr Douglas Ruhe and Mr William Geissler, the two principal owners of UPI, the agency is on the market for around $10m.

Meanwhile, the judge's order authorises the group's major secured creditor, Foothill Capital of Los Angeles, to reinstate a multimillion dollar line of credit allowing UPI to pay employees and meet other financial obligations. Most workers for the company have received no pay for the past two weeks.

The attorney for Mr Ruhe and Mr Geissler also indicated last night that the simmering conflict between the two men and Mr Luis Nogales, the chairman of UPI, had erupted again yesterday. Only a few weeks ago, Mr Nogales was briefly sacked after disagreements about the group's future, but he was later reinstated with the explanation that the rupture had been a "misunderstanding."

Mr Ruhe and Mr Geissler, who own around 90 per cent of UPI, did not elaborate on the reasons behind the dispute, but their attorney confirmed that Mr Nogales had once again been asked to leave the company.

UPI filed for bankruptcy with debts of about $45m.

Tiger Oats edges ahead 11% after margins narrow

BY JIM JONES IN JOHANNESBURG

TIGER OATS, one of South Africa's leading food groups, was affected by narrower trading margins and higher interest payments in the six months ended March 31, 1985, but nevertheless increased its earnings and dividends.

First-half turnover rose by 35.5 per cent to R1.39bn ($684m) from R1.03bn, but raw materials cost increases and increased competition led to a reduction in margins. As a result, the first half's operating profit before interest and tax increased by only 11 per cent to R75.8m from R68.3m. The first-half interest bill was R13.1m against R7.9m.

Turnover totalled R2.06bn in the financial year ended September 30, 1985. The operating profit was R132.2m and the year's interest payment was R13.1m.

The directors say that trading conditions were difficult for the food division and that margins were narrower. Adcock-Ingram, the pharmaceuticals subsidiary, was adversely affected by increased costs of imported raw materials. Fishing subsidiaries benefited from firm export prices.

Trading conditions are not expected to improve in the immediate future, and the directors believe that the second half's operating result will be much the same as these of the first half. They add that the group's cash position remains sound, as a result of last year's sale of Tiger's interest in the Bibby group, and the satisfactory returns will continue to be made on short-term investments.

None the less, the board does not expect second-half earnings to increase at the same rate as those of the first half.

First-half earnings advanced to 318 cents a share from 257 cents, and the interim dividend has been lifted to 90 cents a share, from 65 cents.

Cadillac Fairview bids for Woodward Stores

BY BERNARD SIMON IN TORONTO

CADILLAC Fairview, the Canadian property developer, has made a bid worth about C$250m (U.S. $183m) for all the outstanding shares of Woodward Stores of Vancouver, a leading department store and supermarket chain.

Cadillac Fairview is interested mainly in Woodward's property holdings, which include shopping centres in Vancouver, Calgary and other western Canadian cities. Space owned or leased by the 25 Woodward's stores totals around 6m square feet. The company said that Woodward's retail and food operations will be acquired in a leveraged buyout by a group headed by the chain's president, Mr Woodward Maclaren.

Woodward suffered a C$11.1m loss in the year to January 31 on sales of C$745m.

The Toronto-based property company has offered C$16.50 for each of Woodward's 15.5m outstanding shares. Alternatively shareholders can take a combination of cash and preference shares.

Woodward's chairman, Mr Charles Woodward, and the Woodward family holding company have agreed to tender their 25 per cent interest in the company.

Depressed outlook at Control Data

By Our Financial Staff

CONTROL DATA, the U.S. computer group which last month reported a $9.2m first-quarter loss, said its computer business would remain "depressed and total company earnings will reflect only a small profit at best" in the second quarter.

The first-quarter loss was due to a charge of $11.6m in Control Data's credit unit, caused by the closure of the unit's City Loan and Savings company in the recent Ohio savings bank crisis.

Mr William C. Norris, Control Data's chairman, said in remarks prepared for yesterday's annual shareholders' meeting that earnings in its commercial credit companies unit were expected to rebound sharply this quarter.

However, earnings in the company's core mainframe, peripherals products and data services businesses would remain depressed.

The company said it was undertaking stringent cost-cutting measures, but Mr Norris said the immediate effect would not be sufficient to compensate for the first-half earnings shortfall. Furthermore, it would not permit achievement of Control Data's original earnings goal for the year of $4 a share. In its last full year, Control Data earned $31.6m or 81 cents, reflecting a $70.3m net charge.

● IBM has introduced two low-cost desktop printers that produce graphics and near letter-quality text for personal computers. It said shipments of the new printers will begin immediately.

It also said it had introduced four new models of the IBM 4245 bank printer.

The four models which attach to intermediate and large IBM processors include models 12 and D12, which print at up to 1,200 lines a minute and sell at $28,000, and models 20 and D20, which print up to 2,000 lines and sell at $35,000, IBM said.

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INTL. COMPANIES & FINANCE

Merrill finds Asian expertise

The Singapore joint venture between Merrill Lynch and Ayala International, headed by Mr Enrique Zobel (left), poses a strong challenge to existing local financial institutions. **Chris Sherwell** reports

DETAILS trickled out of Manila in March about the formation of a U.S.-Philippines joint venture company, based in Singapore, offering a "wide range of financial services to clients in the Asia-Pacific region." Unsurprisingly, given the Philippines' political and economic *problems these days, reaction* was subdued.

But a look at the two partners in the venture—Merrill Lynch, the largest securities house in the U.S., and Ayala International, headed by Mr Enrique Zobel—the powerful entrepreneur, suggests that a potent new force may be starting work in a region which is already well known for its economic success and high growth prospects.

For competing banks — some of which are still not aware of the development —the tie-up, if successful, could spell trouble. Many merchant banks in Singapore already find the going tough, and if the island state should blossom further as an international financial centre, the financial services revolution in other parts of the world could mean that well-*established big- companies* would take the main benefit.

It took a year for Merrill and Ayala to agree terms, sign contracts, seek approvals and start work. Even now, Merrill Lynch Ayala International, as the new venture is known, is capitalised at only US$250,000, and so far, it has just two manacers.

But the partnership represents the fusion of two important and essential ingredients for business success in South East Asia. One is financial muscle: the other is local knowledge and contacts.

Merrill is bringing the muscle. It has more than U.S.$26bn in assets; and is striving to become the world's most powerful capital markets and financial services group. It has located a weak point in its global strategy, namely the Asia-Pacific region, and is deploying the *members of* the Credit Suisse First Boston team recruited in London last year to strengthen it. One of this group—Mr Michael Dobbs-Higginson—chairs Merrill's Asia-Pacific division.

The knowledge and contacts come from Ayala, one of the best conected group in South East Asia. Registered in Liberia and headquartered in Hong Kong, it is a distinctly entity *from* Ayala Corporation of the Philippines, which is now run by Zobel's cousin, Jaime.

That was not always so. Ayala International originally emerged alongside Ayala Corporation as part of the latter's growth to become one of the Philippines' best-known companies. Ayala Corporation controls the Bank of the Philippine Islands, the country's biggest private bank, and is active in *agriculture, food processing,* electronics, insurance, trading and property. It is best known for its single-handed creation of Makati, Manila's premier business district, out of marshy grassland.

In 1983 Mr Enrique Zobel, 58, a pilot and polo-player known to his employees as "Ee-Zee," unexpectedly left Ayala Corporation to run Ayala International. The move was not, as it seemed at the time, because of his known concern about the political situation in the Philippines following the assassination of Mr Benigno Aquino, the opposition leader. Rather, it came in the wake of an abortive takeover bid by Ayala Corporation for San Miguel Corporation, the *food* and beer conglomerate.

Breaking completely from Ayala Corporation, he took Ayala International and started using it as the vehicle for his expansion in the region. *In* March, as he finally stepped down from the Bank of the Philippine Islands at home, news of another deal, this time in Brunei, also came out.

Under this, Bank of the Philippine Islands sold a 20 per cent stake in Brunei's Island Development Bank — one of only two *locally* incorporated banks in the tiny oil-rich state —to Dai-Ichi Kangyo Bank of Japan.

It was Mr Zobel who originally established the Island Development Bank in a 50-50 partnership with the Sultan of Brunei's family, and royal contacts are close: Ayala won the main contract to build the sultan's fabulous new riverside Sultan's fabulous new riverside palace, estimated to have cost U.S.$350m. Mr Zobel, who retains 20 per cent of the bank *through* Ayala International and remains chairman and chief executive, now wants to make it Brunei's development bank, and eventually the biggest bank in the region; another warning to competitors.

Given Ayala International's other interests — covering insurance, hotels, property and trading, in Hong Kong, Singapore, Malaysia and the Philippines itself as well as Europe and the U.S.)—*it is obvious* that Mr Zobel and Merrill Lynch have plenty to offer each other.

The new combine, in a bid to take advantage of the region's bustling activity, plans to concentrate on four areas:

- Mergers and acquisitions, a potentially lucrative business at a time of a threatened business shake-out in Singapore and Malaysia.
- Asset management, for both soverign clients and so-called "high net worth" (wealthy individuals and families.
- Project financing, for major institutions or contractors but more especially for the 'small men" destined to be big by the 1990s.
- Real estate: investment, financing and management services for property investors.

As one Merril man puts it: "W esee this region as unique. *But customs are different.* We need to bridge the gap. We are linking up locally, and recruiting locally. We will now use our products and our strength."

Merrill's vast resources and expertise, together with Ayala's formidable experience of the region, make this more than a mere consortium bank. It is South East Asians adopting the Merrill Lynch culture, and Merrill Lynch learning the culture of South East Asian business. Other banks will be watching this process with interest.

Profits at Thai oil group soar by 233%

By Boonsong K'Thana in Bangkok

THE Petroleum Authority of Thailand, the country's largest state enterprise, has reported a 233.2 per cent surge in net profits to reach 3.55bn baht ($129.6m) for the year to September 1984.

The advance was achieved on sales just 6.5 per cent ahead at 37.8bn baht, *according* to audited accounts for the national oil company just released.

The Electricity Generating Authority of Thailand (Egat), which ranks second largest of the country's 65 state enterprises, at the same time announced a 13.7 per cent rise in its after-tax earnings for the same period to 3.5bn baht. Sales grew 8.5 per cent to 26.6bn baht.

The two are among the more profitable state entities—as has been Thai International Airways,

The company this week indicated that expansion plans for its *fleet* provide for the purchase of seven more Boeing 747s and up to 28 more Airbuses by the year 2000.

Japan to press UK on bank licences for brokers

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

JAPAN is expected to step up its pressure on Britain to grant banking licences to its four leading securities houses at a top level meeting between UK Treasury and Japanese Ministry of Finance officials in London next Tuesday.

As a prelude to the meeting *the Japanese ministry has sent* a letter to the Bank of England which attempts to meet one of its main concerns, namely the procedures under which the banking activities of the four securities houses would be subject to supervision by the authorities in Tokyo.

The Bank has so far resisted the licence request on the grounds that these supervisory procedures are unclear. It has always insisted that a foreign-owned bank or licensed deposit-taker is supervised as a bank in its home country. It regards this as a more important issue than that of reciprocal facilities being *accorded* to UK institutions wanting to operate in the Tokyo securities market.

The four houses— Daiwa, Nikko, Nomura and Yamaichi—have been seeking banking licences that will allow them to expand the range of services offered to customers and have access to cheaper funds from the interbank market.

"We are anxious to participate in interbank deposit-taking and swap transactions that have become very popular. Foreign exchange will also become more important," Mr Hideo Suzuki, managing director of Nikko Securities (Europe), said in London yesterday.

Neither the Bank nor Japanese officials would comment yesterday on the nature of the supervisory procedures outlined in the Ministry of *Finance letter.*

But the move by the Japanese ministry has added a new concrete element to the talks, which are otherwise intended to review developments in Japanese and UK financial markets, as well as the liberalisation of the Euroyen market

Bond launches one-for-two rights issue

By Our Financial Staff

BOND CORPORATION of Perth, Mr Alan Bond's master company, yesterday launched a *one-for-two rights issue,* priced at a discount of more than a third, to raise A$52.5m (US$34m).

The company said the funds would be used to help cover its acquisition of Australian Occidental from the parent U.S. oil group, and the purchase of Queensland Television, a Brisbane channel operator. Both deals were agreed late last year, for an outlay which totalled A$125m.

In addition, the intention is to strengthen Bond's capital base—the company has in the past relied substantially on bank borrowings

The issue is priced at A$1 a share, compared with the A$1.57 closing market level in Sydney yesterday.

The board of Wormald, a fire protection company in which Bond last month sold its 9.7 per cent stake, meanwhile rejected the subsequent partial bid by Adelaide Steamship.

INTERNATIONAL COMPANIES and FINANCE

James Buxton reports on Carlo de Benedetti's surprise acquisition of SME

IRI privatisation creates major food group

"CHE BOMBA!—what a sensation!" exclaimed a senior minister in Rome on Tuesday morning when he heard the news that Carlo de Benedetti had agreed to take control of SME, the food manufacturing and distribution subsidiary of IRI, Italy's last state industrial holding company.

The amazement was caused by two things. First, IRI has succeeded in practising its declared policy of privatising non-essential assets—thus reversing a trend under which for years Italian industry has tended to drift towards rather than away from the state sector.

Second, Sig de Benedetti, who is also chief executive of Olivetti, in February bought control of Buitoni, which makes pasta and chocolates. He is now creating a food manufacturing group four times bigger than its nearest Italian rival—in a field that could hardly be more different from data processing equipment.

What also took the breath away was that the deal was agreed in only two days of detailed negotiations, instead of taking months, or even years as is usually the case with change in the Italian state sector.

Moreover, unlike most corporate transactions in Italy, this one involves the payment of cash rather than an exchange of paper—to the order of L497bn ($250m)—into the empty coffers of IRI.

SME, whose full name is, confusingly, Societa Meridionale Finanziria, was until recently a byword for much that is wrong with the Italian state sector. The products of its subsidiaries—companies like Italgel (ice cream), Alivar (biscuits), Cirio (jams) and Sidalm (cake)—are good, and its supermarkets and motorway restaurants are properly run.

Yet through wasteful management, and the need to satisfy venal political interests, SME lost money on a vast scale for a whole decade up to 1983, when its deficit amounted to L70.4bn on sales of L2,918bn.

Professor Romano Prodi, who arrived at Iri in late 1982 with a brief to stop the rot in the Italian state industrial sector, put in Sig Giuseppe Rasero as vice-chairman and managing director at SME. Sig Rasero purged the old management, received nearly L150bn in new capital and last year achieved a profit of L50.2bn. No one, however, thinks that his work is done. Sig de Benedetti wants him to stay on.

Sig de Benedetti does not pretend that Olivetti has absorbed all his energy since the hectic years at the end of the 1970s when he got the electronics group back on its feet. One of his proudest achievements is to have built up CIR, his own holding company, from almost nothing in the 1970s to being the second biggest private Italian industrial group in terms of stock market capitalisation.

CIR holds nearly 15 per cent of Olivetti, but also has industrial and financial operations of its own as well as stakes in several other major Italian companies. Sig de Benedetti bought control of Buitoni from the Buitoni family. The company, which had been losing money is being recapitalised. Its losses for 1984 were L47.7bn.

For Sig de Benedetti the attractions of buying the much larger SME—its sales in 1984 were L3,100bn against Buitoni's L1,035bn—may go beyond that of creating a major food group better placed to compete with the multinationals

He may be attracted by the idea of having an investment in a stable industry to offset the greater volatility of data processing. He may be allured by a new challenge. And he may be simply weighing up the prospective management considerations of AT&T of the U.S. taking up its option in 1988 to increase its stake in Olivetti from 25 to 40 per cent.

Under the deal with SME, IRI will cede its 64 per cent stake in it for L497bn. Buitoni will take 51 per cent of the company and the rest will be held by Mediobanca and Istituto Mobiliare Italiano (IMI), two state-controlled financial institutions.

Sig de Benedetti has not yet said how he will finance his purchase, which is to be paid for on the basis of L150bn payable at once and the rest over 18 months. But for Sig Prodi, there is, as he put it on Tuesday, "an embarrassment of choice" as to what to do with the money.

For Sig Prodi the deal fits in beautifully with his strategy of concentrating on what he calls the major networks—of which the most obvious candidate is the creation of data transmission networks by IRI's subsidiary Stet.

Until the SME deal, IRI's disposals of subsidiaries had been few, and often troubled by political opposition.

Prof Romano Prodi, IRI chairman—deals fits in beautifully with his strategy

Schindler holds payment on improved earnings

BY OUR FINANCIAL STAFF

SCHINDLER, the Swiss engineering group best known for its lift systems, reports improved profits for 1984 and plans a scrip issue.

Having forecast at least maintained profits, the group now emerges with net earnings 10 per cent higher at SwFr 48.6m ($18.7m) against the SwFr 44.3m of 1983.

Turnover rose to SwFr 1.96bn from SwFr 1.81bn, while new orders at the year-end totalled SwFr 2.07bn, against SwFr 1.87bn at the end of 1983.

Schindler plans a one-for-eight scrip issue. In the meantime, the dividend is being maintained at SwFr 60 per bearer share and SwFr 12 per registered share and participation certificate.

Globus, the department-store concern, intends to raise SwFr 13.5m by a one-for-ten rights issue. It will raise capital to SwFr 33m and participation-certificate capital to SwFr 16.5m.

Group turnover rose by 5.7 per cent to SwFr 1.13bn for the year ended February, 1985. Earnings were up from SwFr 18.6m to SwFr 19.3m. The dividend is being held at SwFr 85 per share.

● Autophon, the telecommunications concern, proposes unchanged dividends of SwFr 11 per registered share and SWFr 55 per bearer share for 1984. Turnover rose by 25 per cent to SwFr 515.1m with a simultaneous 32 per cent increase in new order value to SwFr 578.4m. Profits went up by SwFr 2m to SWFr 9.6m.

After taking over the Swiss Gfeller group last year, Autophon has recently bought the European subsidiaries of Comdial of the U.S. It has set up subsidiaries in Norway and the U.S.

Profits decline at Italian telephone utility

By Alan Friedman in Milan

SIP, the Italian state-owned telecommunications company which is part of the IRI-Stet holding group, last year made a net profit of L185bn ($92.5m). This compares with 1983 profits of L229.7bn.

Sig Paolo Benzoni, managing director, said investments last year totalled L4,185bn and the level for 1985 is expected to reach L4,400bn.

The group, which employs nearly 75,000 people, said that in 1984 Italy had 919,000 telephones installed. This means that at present there are 42.6 telephones for every 100 Italians.

The company is paying a 1984 dividend of L100 per ordinary share

● Aeritalia, the state-owned aerospace manufacturer, last year more than trebled net profits from L5.5bn to L17bn. Revenue went up 26 per cent

Revamped SMH sees growth

BY JONATHAN CARR IN FRANKFURT

SCHROEDER Muenchmeyer Hengst (SMH), the West German private bank set up by Lloyds Bank of the UK at the start of 1984, has successfully weathered the problems of its first year and is confident about business prospects in 1985.

SMH executives said the 1984 results exceeded the expectations they had had when business began after the debacle involving the bank of the same name in late 1983.

The previous SMH was narrowly saved from collapse by a German bank consortium, after overlending to IBH, the building machinery company which later filed for bankruptcy.

Lloyds swiftly bought up the healthy parts of the old SMH, including the investment banking and part of the Commercial banking operations, and formed a new SMH operation with effect from January 1984.

SMH executives in the Lloyds era have launched a major drive to win back former clients, gain new ones—and encourage an initially shocked and partly demoralised staff.

As a result SMH has built up a balance sheet total at year's end of DM 1.29bn ($416m), compared with DM 891m on January 28, when business began. Loans to customers account for about one half of the total.

The bank concedes that the interest return is not yet satisfactory and that net interest income did not cover staff and operating costs in 1984. Income on commissions was buoyant, however.

The bank gives no profit figures but notes that a large part of operating earnings was used to establish statutory loan reserves. These are given as DM 10.4m in the accounts.

Meanwhile, Lloyds has been busy merging into SMH much of the services it used to provide in Germany under the banner of Lloyds Bank International (LBI).

Integration of the customer business of the former German branches of LBI was completed on April 1, so that SMH's balance sheet total has risen to around DM 1.8bn and business volume to over DM 2.3bn. The staff totals 408.

The bank's capital has been raised from DM 100m to DM 140m — both because of the merger and to take account of future business expansion.

VONTOBEL EUROBONDINDIZES

WEIGHTED AVERAGE YIELDS
PER 30 APRIL 1985

	INDEX Today	INDEX Last week	% Year's High	Year's Low
US$ Eurobonds	11.17	11.01	11.97	10.85
DM (Foreign Bond Issues)	7.27	7.26	7.62	7.01
HLF (Bearer Notes)	7.48	7.46	7.89	6.83
Can$ Eurobonds	12.56	12.53	13.41	12.21

Bank J. Vontobel & Co Ltd, Zurich - Tel: 010 411 488 7111

INTL. COMPANIES & FINANCE

Terry Dodsworth on the growth of U.S. for-profit medical care

Private health wins all the prizes

HOSPITAL MANAGEMENT is one of the few areas of business in the U.S. in which profit-oriented companies compete directly with institutions run as public services. True to expectations in the era of Reaganomics, *it is the investor-owned* organisations that are currently running away with all the prizes.

Wall Street's attention has been focused o nthe hospital sector by two recent events. The first was the enormous publicity attracted by the Humana Group following *its* controversial artificial heart transplants in its Louisville Hospital. Humana is an inves*tor-owned hospital* company run for profit and known for its go-getting drive and growth ambitions. It owes its present position in the public eye to a decision to invest heavily in the talent necessary to carry medicine into this new field.

The second incident was the agreed $6.6bn merger between Hospital Corporation of America (HCA) and American Hospital Supply, a wholesale organisa*tion which dominates its own* sector. Together, the two companies will create a colossus, with sales around $7bn this year.

The merger proposals underline the momentum that has built up in the "for-profit" sector over the last few years. By far the most dynamic institutions in the U.S. hospital service at present come from this investor-owned segment of the *industry.* HCA, *for* example, has been growing at a compound rate of between 18 per cent and 20 per cent a year, and in the last few years, the investor groups as a whole have been taking away shares from the rest of the industry.

Investor-owned hospitals form a quite distinct segment within a somewhat diversified institutional framework. The majority of hospitals in the country are run by private charitable or religious organisations on a non-profit making basis, usually helped by donations from their sponsoring organisations. A smaller, but significant, number of public hospitals is owned by the local authorities, with particular responsibility for caring for the poor.

For years, the investor-owned organisations have occupied a distinctive niche in the market. They tended to be specialised, smaller hospitals set up by an entrepreneurial doctor who saw a particular local need. Even today, the 1,200 for-profit hospitals represent 18 per cent of the U.S. hospital total, but offer only 11 per cent of the available beds.

About 15 years ago, however, the structure of the investor-owned sector began to change with the advent of several expansionary groups intent on gobbling up their neighbours. HCA, a Nashville group founded by Mr Thomas Frist, a doctor turned businessman, was one of the pioneers of this process, steadily advancing to a point where it now owns 420 hospitals around the country.

The pace of expansion by the investor groups has accelerated in the last two years as U.S. health care has been put on a cost-cutting regime. The big squeeze on hospitals, caused by dizzy-price increases which reached a peak of 17 per cent in 1981, began to be felt in earnest after the 1983 Social Security Act.

This piece of legislation, aimed at rewarding efficiency in the hospitals—an objective that has outraged some medical purists—remodelled payments by Medicare, the basic national insurance system which accounts for almost 40 per cent of all health care expenditure. Instead of reimbursing hospitals for costs accrued in treating a patient, the scheme gives hospitals a pre-set fee according to the illness diagnosed. If the hospital overspends, it loses money. If it performs according *to the standard, it makes a pro*fit. If it is super-efficient, it makes a healthy margin.

A similar desire to trim costs has been *sweeping* through the privately-insured sector as well. Virtually every big union contract of the last two years has remodelled health benefits one way or another, usually by giving workers covered by the plans incentives to use the health services more sparingly.

The number of patients entering hospitals has consequently dropped sharply, leaving hospitals with a surplus of beds and swollen *overheads.* Currently only about 60 per cent of hospital beds are in use.

As if these pressures in the market place were not enough, hospitals have been faced with a drought in development funds. For the past 30 years or so, Federal grant and loan finance has been available to support new building and reconstruction. These funds have now dried up, and the Government does not seem disposed, in the new era of budget-cutting, to reinstate them. In short, the hospital service lacks capital—a *perfect recipe for a private-sec*tor entrepreneur.

Also international: HCA manages the King Faisal Specialist Hospital and Research Centre in Riyadh

In this new environment the investor-owned groups put their success down to both their managerial abilities and their access to finance. "The for-profit hospitals were more management oriented, better *pre*pared to cope with the changes and operate under tighter conditions," says Mr Tom Goodwin *of the Federation of American* Hospitals. "The other hospitals had worked without incentives because they could always go back for more money from the insurers or Medicare whenever they wanted."

At the same time, the investor groups have begun to show their financial muscle by breaking into the charmed circle of the big teaching hospitals that set the standards of the profession.

Several of these proud old institutions, including the George Washington University Hospital, and the 1,000-bed, Presbyterian St Luke's group in Denver, have agreed to take-overs *recently.* The main reason for these combinations is funding. George Washington, for example, is in surplus, but needed around $35m for reconstruction and new buildings.

Inevitably, there is a great deal of suspicion and apprehension in the medical profession about the impact of the investor groups.

Many doctors feel that the profit motive and good medicine simply do not mix. The blatant business orientation of these companies, now diversifying outwards to become huge medical conglomerates, controlling nursing homes, suppliers and even insurance com*panies, sits ill with the purists* dedicated to curative care. There is abundant criticism of the for-profit groups for cutting corners.

But healthy investors can scarcely ignore the spectacular growth of the leading for profit groups. Since 1980, net earnings at HCA have jumped from $81m to $243m, while it has consistently made around 15 per cent on equity capital. Humana's profits went from $65m in 1980 to $193m last year, when its return on equity stood at 26 per cent. *With results like these it looks* very much as though they have been able to find some inefficiencies in the present system *which* even the *purists* might not find easy to defend.

BUSINESS LAW

Industrial designs: some new ideas

BY A. H. HERMANN, LEGAL CORRESPONDENT

NO READER of this column will suspect me of being a harmonisation chauvinist; but there seems to be a genuine and urgent need for harmonising the protection of industrial designs throughout the EEC. The law in this field applies to a vast and growing market —the spare parts market for BL cars alone exceeds £800m per annum. It differs widely from one member state to another and nowhere is felt to be quite satisfactory. And it is in a state of mad confusion in Britain so that UK reform, necessary for purely domestic reasons, could provide a lead for European harmonisation.

The confusion of the law reflects the confusion in the minds of politicians who are not quite sure what should be *protected: is it the artistry of* a textile print, the novel shape of a boot, or the effort, ingenuity and money which went into designing a mass-produced article so that it would serve its function in the best possible way?

Purely functional designs are nowadays often the result of long research and development, and entrepreneurs should not be be expected to invest in *such work unless* they are protected against free-riders copying the product as soon as it appears on the market. Some politicians and lawyers, however, are still prisoners of ideas which have their origin in a time when the functional articles were produced by indi*vidual* craftsmen who, except for years of apprenticeship, did not invest anything in research and development.

We are *still* lumbered with the long obsolete notion that there is special merit in functional designs which appeal to *the eye, possibly by some* unessential features or decorations, and that those which are determined solely by their function are a lesser breed. But there is much in the Bauhaus idea that beauty is in the perfect functionality of the product, though it can, of course also have other sources.

UK law, both statute and judge-made, flutters indecisively between such contradictory concepts and opposed interests. The 1919 Designs Act excluded from protection "anything which is in substance a mere *mechanical device.*" The 1949 Registered Designs Act provided protection for designs of a literary or artistic character multiplied by an industrial process, but excluded purely functional articles, including those whose functioning depended on their shape

This left a lot of people unhappy, particularly in the engineering industry, but they were consoled in 1968 when a Private Members' Bill led to the *Design* Copyright Act which gave automatic protection against copying to all machine parts which started life as drawings. And it has done so with a vengeance: while "artistic" designs—more appropriately called *Geschmackmuster* in German— enjoy only 15 years' protection, purely functional engineering products which first appeared on the drawing board were given full copyright protection for the life of the author plus 50 years.

> What is really needed is simplicity and greater certainty instead of the unpredictability of the law as it exists

This seemed too much for Mr Justice Whitford when giving judgment in *Hoover PLC v George Holme (Sto.) Ltd [1962] FSR 565.* He held that where the *owner of the design* applied it industrially, his copyright to the industrial application ceased 15 years after the first sale. Whatever the complications of the legal logic behind this decision might be, it has always seemed to me to signal a return to reason

Alas, the rule of reason was only of short duration. It was toppled last year by the Court of Appeal's decision in *BL Cars v Armstrong Patents Co. [1984] 3 CMLR 102.* It is again law that copyright in a purely functional design enjoys protection for the *life of the author and 50 years* thereafter—never mind that it does not merit a 15-year protection by registration or a 20-year protection by patent as it is not sufficiently inventive.

For good measure, the Court of Appeal rejected also all Euro-defences advanced by the copier of BL exhausts.* The UK is the only EEC country which protects three-dimensional reproduction of drawings under copyright *law. This shields* British manufacturers efficiently from free-riders and other copiers of their products in the UK. But it also can be used against them by foreign manufacturers who, in their own country, are free to copy British spare parts.

The result is that British law protects the monopoly of British manufacturers at home but prevents them from expanding *into the much* greater European market as suppliers of spare parts for foreign products. It is an essentially conservative and anti-entrepreneurial law, favouring monopoly as against the opportunities offered by free trade. Yet the Court of Appeal was steadfast in denying the European *Court the opportunity* to consider whether the quantitative restrictions on imports and exports resulting from this disparity of *law* in the UK and other EEC countries is contrary to the principle of free movement *of goods or the* competition rules of the European Community.

The unhappy state of the industrial design protection law was reviewed by the Whitford Committee in 1977 and in two Government Green Papers of 1981 (Cmnd 8302) and 1983 (Cmnd 9117). None of these dealt exclusively with industrial design, and none of the reforms suggested met with a sufficient measure of acceptance to prompt the Government into legislative action.

Indeed, it seems that the more *people consider* the *subject,* the greater is the disparity of opinions and vehemence with which opposing factions defend *their vested interests.* The reform of design protection has become a vast and complicated subject and all the warring factions, as well as detached observers and potential legislators could benefit from reading an up-to-date detached survey of the problems. Christine Fellner entitled her book "The Future of Legal Protection for Industrial Design"† though it does not deal, of course, only *with the future.* She draws with perfect lucidity the historical background and records with understanding and fairness the positions taken up by industrialists, judges and expert committees in the heated debate obscuring the problem.

The book presents UK law and the various arguments for its reform in an international perspective, covering design protection in the EEC and in the wider world adequately and without unnecessary detail. It is a complicated subject, and I hope that our legislators, both in the UK and in the EEC, will read the book. But I also hope that they will not fall for the author's reform proposals.

Christine Fellner proposes that "artistic" designs should continue to receive copyright protection but, if industrially *exploited, only* for 25 years from first such exploitation. Functional designs should be excluded from copyright protection, but instead should be given protection against "unfair copying"—an idea inspired by the Continental unfair competition legislation. The judge should pay attention to features which confer "some special quality of appearance or function, some genuine advantage over the prior art *and in* particular to the technical and commercial feasibility of making changes, the public interest, the availability of substitutes, the scale of the plaintiff's investment and the behaviour of the parties." A perfect recipe fot sleepness *nights* and interminable litigation

What is needed is simplicity and greater certainty instead of the unpredictability of the present law. Every businessman should be able to know where he stands even without legal advice. This could be *achieved* if those who copy functional designs would be free to do so as long as they pay a statutory royalty, at a rate *and for* a period of time determined by law for the different industries in accordance with the development and life cycles of their products.

If a philosophical justification is needed, it is that though a variety of designs can be used to make a product, the best designs assuring the greatest economy and efficiency of function are likely to be copied more than others. And that the shape of a motor-car's wing can be designed only with the help of costly wind-tunnel tests.

** See also Jeremy Phillips, The Journal of Business Law, March 1985, p. 168-9*
† A report Commissioned by the Common Law Institute of Intellectual Property and the Intellectual Property Unit, Queen Mary College, London, published by ESC Publishing Limited, 25 Beaumont Street, Oxford, pp 210, paperback, £17.50.

UK COMPANY NEWS

Abbey Life to make its market debut next month

BY ERIC SHORT

Abbey Life Group, Britain's second largest unit-linked life company, is coming to the stock market sometime next month.

Its parent, the U.S.-based multinational conglomerate ITT, yesterday announced that following a feasibility study, it had been decided to make an offer for sale early in June this year of a minority interest in Abbey Life.

The sale is being handled by merchant banker S. G. Warburg and Company, with Rowe and Pitman acting as broker.

In January, ITT announced a *major restructuring programme* of its operations aiming to raise *U.S.$1.7bn by the sale of assets*. Among this programme was the *floating of Abbey Life* and a feasibility study was set up to consider the best means of doing this.

The study has been completed and, as foreshadowed, it has *come down in favour of* an offer for sale, even though a placing *or a tender would* have more likely raised a *higher* amount.

Mr Michael Hepher, managing director of Abbey Life

Mr Michael Hepher, chairman and managing director of Abbey Life, said that the offer for sale route enables ITT to put a clearly visible value on its majority holding in one of its most successful companies

Warburg was not prepared to give any further details concerning gthe offer. An independent valuation of the company was *being made by consulting* actuaries, Tillinghast, Nelson and Warren and all figures relating to the offer were in the process of being finalised.

Nevertheless, under the listing rules of the Stock Exchange at least 25 per cent of the shares must be made available in the sale and there are indications that a slightly higher perecntage than this minimum could be sold.

Similarly, no details were given as the market value of Abbey Life, but in a recent circular, stockbrokers W. Greenwell and Company put the value in the £450m to £500m range. The recent improving rating on life shares should materially help in fixing a high value for the sale.

Nurdin & Peacock passes £13m

FURTHER increases in sales, pre-tax profits and shareholders' dividend, and a scrip issue are announced for 1984 by Nurdin & Peacock.

The company is celebrating a double jubilee—175 years of trading and 25 years since the start of the cash and carry operation which makes up by far the larger part of the business.

In the year sales rose by 15.43 per cent, from £516.41m to £596m, while the profit before tax was 9.68 per cent higher at £13.16m, compared with £12m. The adverse effects of the 1984 Budget leave the net balance virtually unchanged at £8.19m.

A final dividend of 2.5p raises the net total from 3.57p to 4.2p, and a 1-for-4 scrip issue is proposed. Net earnings were 13.8p (same).

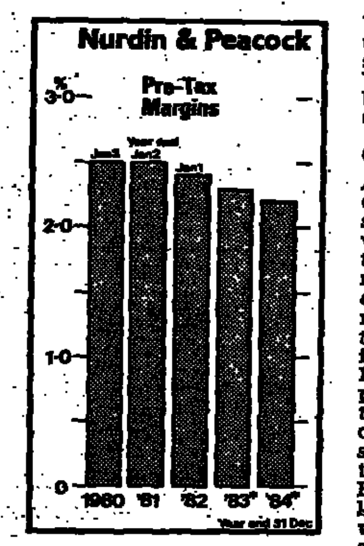
Mr Michael Peacock, the chairman, says the sales increase in the current year is running "at an encouraging level," and he will be disappointed if the group cannot show improved results again.

He says the increase in 1984 results has been achieved against the normal background of two competitors who were trying to secure a rapid increase in market share to strengthen their respective positions in a bid by one to take over the other."

A big factor has been the success of the group's Red Band cigarettes, which *were launched* last July and "have never looked back." The *chairman* says cigarette manufacturers have *for* some time been favouring the *multiple retailers and encouraging* them to promote their brand *on price alone.*

The same thing has happened *in other fields, especially wines* and spirits and these exclusive *labels, together with* the Peacock range, are all being well *acepted by customers and* consumers alike.

The new branch at Gloucester opened last Monday. Building *work is progressing well on* doubling the size of the Watford *branch and on converting* a building to replace the small unit at Colchester, and both should be operational this year. Work has also started on a new branch at Wolverhampton to be opened next year.



● comment

Although at the low end of City expectations, no one could really *say that Nurdin's 1984 results* were disappointing. In a very *tough market the company has* managed a healthy rise in turn*over and has all* but *clung* to margins despite an escalation in *the already intense competition* from warring rivals Dee and Booker. One reason for the surprisingly strong increase in *turnover* and the slight erosion of margins are related, and re*sult from the huge success of* the own brand cigarettes Red Band, on which margins are very low indeed. Some further *volume increase* from the cigarettes (now a "family" *after the recent introduction of* mild and super king varieties) can be expected in the current year, but most of the growth *will continue to be generated by* increases in warehouse space. *In 1985 that should rise by some* 9 per cent, with a similar increase planned for 1986. The City is expecting about £14.9m pre-tax this year, which puts the shares at 180p on a rating of 11, *assuming* a tax rate of 37 per cent. Cash and carry is at the *unglamourous* end of the retail sector, and the shares are rated *accordingly.*

Marshall's Universal second half slowdown

The sharp recovery made by *Marshall's Universal* at the interim stage slowed somewhat *during the second half, with full* year taxable profits for 1984 of *£1.6m* against £981,005.

At the half year some £1.01m had been achieved, and Mr R. L. Doughty, the chairman of this motor vehicle and components trader, paper and board distributor then said that most of the increase in profitability came from the UK activities.

The directors' intention to concentrate on developing the UK businesses and to seek further acquisitions outside vehicle distribution, resulted in the sale, to be completed in early May, of the *group's East African* interests. For 1984 trading profits from the East African companies rose from £690,739 to £956,755.

After the disposal Marshall's will consist of a broadly-based group trading entirely in the UK.

The directors say that the group's paper companies will be operating mainly in the self-adhesive, paper and board distribution market. The self-adhesive group, which is now the largest in the UK, has had a successful year, and the directors anticipate an increasing share of this market.

The industrial and components companies had a "highly successful" year, and the directors look forward to a substantial increase in profitability for the division overall.

Following the interim dividend of 0.25p, the first payment since 1982, a final of 1.75p is proposed. Net earnings per share are shown higher at 3.45p against 2.09p.

Turnover for the group improved by £11.85m to £64.37m, generating a gross profit of £15.12m (£12.75m). The operating profit was £2.69m (£2.13m), and the pre-tax result was struck after interest payments of £1.09m (£1.15m).

The tax charge was £831,996 (£459,147), minorities took £112,807 (£78,120), and the extraordinary debit of £54,029 rep*resents defence costs against the* Grovebell bid early in the year. *Last time there was a £246,678* credit, being the surplus on *property disposal.*

The amount transferred to *reserves falls from £613,161 to* £51,163.

Marshall's *has* reached agreement with Wagon Industrial *Holdings* to acquire Road Signs-Franco and its freehold factory. The company makes and erects signs and bollards, and manufactures industrial laminates.

The consideration is £1.02m, to be satisfied by the issue of 1.71m ordinary shares in Marshall's, and £12,780 cash. The shares will not rank for the final dividend. They have been placed on behalf of the vendor at 59 5/12p per share.

Road Signs-Franco increased its pre-tax profits for the year to end-March 1984 to £207,000 (£185,000). Net tangible assets plus the purchase price of the factory amount to £250,000.

Wagon Industrial *considers* that Road Signs-Franco does not *conform with its long-term* corporate strategy, but it has a close synergy with *Marshall's other* industrial companies, in particular parking equipment and services, and BMAC (transport lighting and switchgear).

London United rises to £6.2m

London United Investments, an insurance holding company, raised pre-tax profits in 1984 from £5.22m to £6.2m and has lifted the dividend *total* from 12p to 13p by a 1p increase in the final to 8p.

Turnover was up at £40.81m, against £24.64m, generating operating profits of £6.31m compared with £5.64m—the taxable result was struck after overheads of £762,000 (£677,000) and included associate contributions of £644,000 (£256,000).

The tax charge was £3m (£2.64m) and there were extraordinary debits of £60,000 (£245,000). Stated earnings per 20p share were 27.16p (24.38p).

● comment

The market was pleased with the second-half surge from London United which took a static profit figure at the interim stage to an 18 per cent increase for the whole year. The company is now beginning to reap the benefits of the rationalisation programme carried out a couple of years ago. Profits from its underwriting agency, H. S. Weavers, were well up, thanks to the surge in premium rate increases late in the year and the return of insurance business to the London market. Its insurance operation, Walbrook Insurance, saw some profit reduction, but far less than could have been expected given the horrific conditions in the U.S. casualty market last year. The outlook for the current year looks favourable as premium rates continue to harden in the London market and business returns. However, its insurance operation is vulnerable to the spate of claims, particularly professional indemnity claims, hitting the casualty sector and there are doubts in the market over the adequacy of the reserves made. But at present the dividend increase and the current rosy prospects set the share price up 12p to 295p giving a p/e of 10.9.

J. W. Spear set for 'steady future growth'

With profits at their highest *level since 1980 the directors of* J. W. Spear & Sons say the *group has put behind it the* setbacks of the past few years *and is recovering strongly*, having laid the foundations for steady *future growth.*

Although it is still early in *the year, the current order* position indicates that trading *results for* 1985 will again show an improvement.

For 1984 this games and toy maker pushed its turnover up *by £1.22m to £8.3m and* saw its profits at the pre-tax level rise *from £239,000 to £858,000.*

Shareholders will receive a dividend of 4p net per 25p share, an improvement of 3p on 1983's level.

Spear launched its strongest-ever product range at recent trade fairs. The directors say the tradition of care in the selection and design of products, of giving value for money and of keeping out of high risk areas such as electronics, combined with a highly professional approach to marketing, should, barring unforeseeable circumstances, ensure that the improvement in results achieved so far is maintained.

As a result of the reorganisation of the group's German interests, the whole of the "valuable" Scrabble game rights are now under Spear's direct control.

Interest charges for 1984 were reduced to £122,000 (£174,000) but tax jumped to £412,000 *(£112,000).*

Jessups advances to £435,000

DESPITE "REASONABLE" profit margins being difficult to maintain Jessups, the Vauxhall/Opel and Bedford and Ford main dealer, improved its first half results and is raising its interim dividend from 1p to 1.25p net.

Group turnover for the six months to February 28 was little changed at £23.4m (£23.24m) but at the operating level profits showed an improvement of £146,000 at £1.05m.

After taking account of interest charges of £615,000, against a previous £501,000, pre-tax profits came through £32,000 ahead at £435,000.

The directors, headed by Mr Alan Jessup, the chairman, are confident of a continuing good profit performance.

Commenting on the opening six months' results they say that although the level of new car registrations showed stability compared with that of last year the intensity of competition remained high.

Shareholders are told that "reasonable" profit margins were difficult to maintain, particularly in the fleet sector, as dealers attempted to maximise the gain from manufacturers' promotional campaigns.

It is pointed out that rates of interest on these borrowings con*tinue to be fixed, with* similar rates charged within leasing *rentals.*

Tax for the half year took £94,000 (nil). The group continues to benefit from capital which will keep the tax charge for the full year low — £56,000 was charged for 1983-84.

Available profits amounted to £341,000 (£403,000) from which interim dividend payments will absorb £105,000 (£84,000).

Earnings per 25p share came through 0.76p lower at 4.07p.

Jessups' parts and service activities performed well and will continue to be a significant contributor to profits.

Maiden profit for Nimslo Intl.

A taxable profit of US$199,000 in the second half of 1984 was the first surplus for Nimslo International since it came to the USM just over three years ago, but it was not enough to outweigh first half losses. The group, a 3-D camera maker based *in Bermuda, finished the* year with pre-tax losses of $2.87m *(£2.31m).*

This represents a substantial reduction on the $13.64m deficit incurred in 1983, and the directors consider that it marks a "significant turning point in the company's performance." Sales increased from $26.18m to $27.91m.

The market was not impressed, however, and the company's shares fell 5p to 34p on the day. This compares with an issue price of 190p and a high of 270p.

There is again no dividend. Nimslo has yet to make a maiden *payment on the unlimited market.* The loss per ordinary share is reduced from *12.6 cents to 2.8* cents, before extraordinary debits of $17.01m last time.

Overseas tax for the year came to $188,000 ($109,000).

The directors state that 1984 was a year of redirection with regard to business strategies, improvement in operating efficiencies, and achievement in the extension of customer base.

They are encouraged by initial *results for the current year* and confident that it will be one "of *further progress.*"

Public Works Loan Board rates

Effective May 1 1985

Years	Quota loans repaid by EIP†	Quota loans repaid A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* A‡	Non-quota loans A* repaid at maturity§
1	—	—	11⅞	—	—	12⅛
Over 1, up to 2	11⅞	11⅝	11⅝	12⅛	12⅛	12⅛
Over 2, up to 3	11⅝	11⅝	11⅝	12⅛	12⅛	12⅛
Over 3, up to 4	11⅝	11⅝	11⅝	12⅛	12⅛	12⅛
Over 4, up to 5	11½	11½	11⅝	12½	12½	12⅛
Over 5, up to 6	11½	11½	11½	12	12	12
Over 6, up to 7	11½	11½	11⅝	12	12	12⅛
Over 7, up to 8	11½	11½	11⅝	12	12	12⅛
Over 8, up to 9	11½	11½	11½	12	12	12
Over 9, up to 10	11½	11⅜	11⅜	12	12⅛	11⅞
Over 10, up to 15	11⅜	11⅜	11	12⅛	11⅞	11⅞
Over 15, up to 25	11⅛	11	10⅞	11⅞	11⅞	11⅞
Over 25	10⅞	10⅞	11⅛	11⅛	11⅛	11⅛

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Bellway ......int.	3	July 5	3	—	7
Foseco Minsep	5.4	July 2	4.7	8.2	7.35
Geers Gross	2	—	2	4	4
Jessups ......int.	1.25	July 1	1	—	3
London United Invs.	8	—	7	13	12
Marshall's Universal	1.75	July 22	nil	2	nil
John Mowlem	9.73	July 1	9	11.93	11.2
Nurdin & Peacock	2.5	July 5	2.1	4.2	3.57
Shiloh	1.25	June 20	0.75	2	1.5
J. W. Spear	4	July 1	1	4	1
Spong	0.1	—	nil	0.1	nil

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Unquoted stock.

UK COMPANY NEWS

All sytems go for BAe shares sale

BY STEFAN WAGSTYL

"IT'S NOW all systems go," said Sir Austin Pearce, chairman of British Aerospace, launching the prospectus for the largest share offering in the UK since the sale of British Telecom.

Investors now have until 9 am tomorrow week, when the application lists will close, to decide whether to take up the 146.8m shares offered at 375p each.

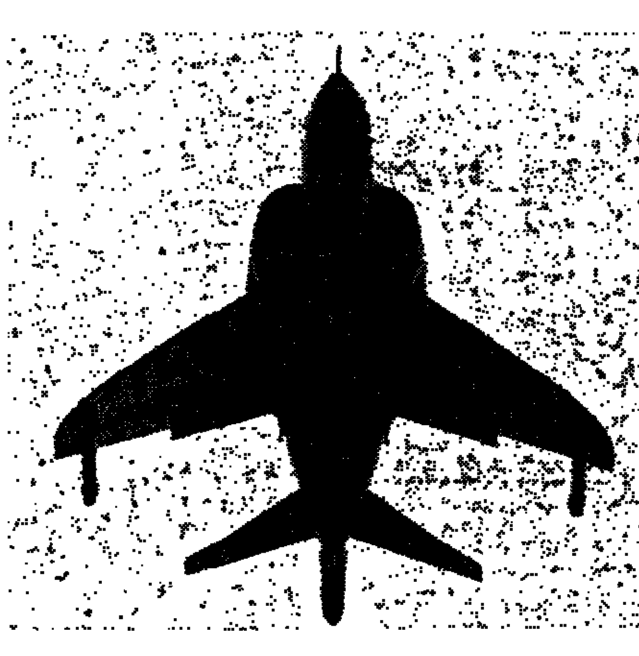
Following the announcement, BAe shares fell 5p to 390p on the stock market yesterday. But both the Government, which is selling its remaining 48.4 per cent stake, equal to 96.85m shares, and BAe, which is selling 50m new shares in a one-for-four rights issue, could afford to be relaxed about the City's reception of the offer.

Four merchant banks, Lazard Brothers, the Government's financial adviser, Kleinwort Benson, acting for BAe, Morgan Grenfell and J. Henry Schroder Wagg have under written the offer.

Some 55 per cent of the issue has already been placed with City institutions; 3.5 per cent has been earmarked for BAe employees and another 17.5 per cent for its shareholders, excluding the Government, leaving 24 per cent for the public offering.

At 375p, the shares are being offered at a discount of 5.1 per cent to the market price on Tuesday night when the Government and the company finally settled on a price.

Based on earnings per share of 54p for the year to the end of Deecmber 1984, when BAe made increased profits of £120m pre-tax from turnover of £2.5bn, the price/earnings multiple is 6.94. The yield, on a 1984 dividend of 13.65p, is 5.2 per cent. Net assets per share following the issue will be 439p.



Harrier Jump Jet with a display of BAe share price

BAe will raise about £187m from the issue, which will increase its net cash resources to about £360m. The rights will raise its market capitalisation to just short of £1bn.

It has said that it has no specific plan for using the rights issue proceeds but wants to have the money at its disposal when investment opportunities come up.

The Government is raising about £363m from the sale of its shares. It is retaining a special share to enable it to block any foreign takeover of BAe and to prevent the appointment of foreign directors.

Commenting on the sale in the House of Commons yesterday, Mr Geoffrey Pattie, Information Technology Minister, said this "special share would totally safeguard the national position." He dismissed Labour claims that the Government had reneged on a pledge to retain a 25 per cent holding.

Mr John Smith, Shadow Trade and Industry Secretary, had accused ministers of "betraying" a promise to retain a stake.

The total cost of the offer has been put at £18m, of which £8m will be paid by the company and £10m by the Government. The expenses are made up of fees of advisers and others, and of commissions paid to institutions underwriting the shares.

The underwriters will earn more than in a everyday City rights issue—the commission is 1.5 per cent for the shares institutions are taking in the 55 per cent of the offer that has been placed and 1.25 per cent for the rest. The usual fee is 1.25 per cent for a whole issue.

Mr John Nelson, of Kleinwort Benson, and Mr Marcus Agius, of Lazard Brothers, defended the level of commission by pointing to the size of the issue. Mr Agius said that the underwriters would be at risk for 10 days.

Mr Bernard Friend, BAe's finace director, said: "Our overriding consideration is that we want the issue to be successful."

Investors will have the opportunity to read the details of the prospectus when it is published in newspapers on Friday. Yesterday, Sir Austin was anxious to emphasise once more that he was "cautious" about the company's prospects.

The company's order book at the end of 1984 stood at £4.8bn, enough work for two-and-a-half or three years. But he added: "It's a long term business and you should have a cautious outlook."

BAe has been keen to emphasise that it is very different to the Government's previous public offering, British Telecom. It believes it appeals more to institutional and experienced private investors than to people who have never owned shares before.

Investors who do decide to buy shares will have to pay 200p a share with their applications. The balance wil be due by September 10.

See Lex

NY growth boosts Geers Gross

SIGNIFICANT PROGRESS in the New York operations of Geers Gross, the UK advertising agent and consultant, has been a factor behind a 46 per cent increase in group taxable profits in 1984. The outcome for the year was £1.82m against £1.25m.

The New York agency, which gained in the year both in terms of margins and levels of activity following the combining of U.S. operations into one agency unit, now has billings in excess of $100m and is the 30th largest in the U.S.

The U.S. agency represents the larger proportion of their overall business and this pattern should continue as it progressively increases its market share, say the directors.

The improved result came out of turnover ahead by 25 per cent at £121.98m (£97.89m), and was subject to tax of £416,000 (£355,000). There was also an extraordinary debit of £116,000 compared with last year's £448,000 credit.

The dividend is maintained at 4p for the year with an unchanged 2p final. Earnings per share are stated at 10.6p (71p) net and 10p (6.6p) fully diluted.

The company's 10 year cooperation agreement with Eurocom, the largest European advertising group with annual billings of some, £1bn, has now been completed with the issue to them of new ordinary shares at 170p per share in Geers Gross, equivalent to approximately 10 per cent of the issued share capital.

● **comment**

It was a tale of two cities at Geers Gross last year. In New York, U.S. profits, boosted by the dollar's strength, rose from £235,000 to over £1m, largely as a result of office rationalisation carried out in the previous two years. But in London, UK profits were down from £1m to about £700,000 as the agency's clients cut back sharply on their advertising spending, particularly on television, in the second half. It was all enough to send the shares down 9p to 136p, a considerable discount to the 170p Eurocom paid for its stake earlier this year. There is little reason to expect the shares to move far from these levels in the current year although in the U.S. net margins of about 1 per cent still have a long way to go before reaching the UK's 2.3 per cent, so there is some room for improvement here. But the group's UK outlook is rather depressing — billings in the year so far are little if anything ahead of last year, and the agency has yet to sign a major new account for 1985. If the agency makes £2.2m, which might be a bit demanding, the shares change hands on a multiple of 12 (23 per cent tax charge).

Foseco Minsep surges 67% and lifts payment to 8.2p

APART FROM the construction industry in the Middle East and the effects of the coal strike at home, conditions have generally favoured the Foseco Minsep group in 1984 resulting in an upsurge of 67 per cent to £34.5m in pre-tax profit.

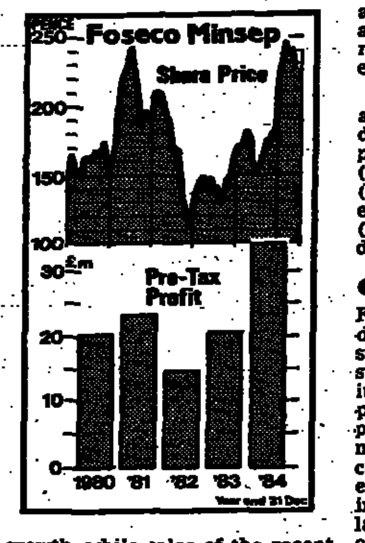
This exceeds by nearly 50 per cent the previous best profit of £23.4m made in 1981, and is in line with City estimates. The final dividend is 5.4p for a net total of 8.2p, compared with 7.35p when the pre-tax profit was £20.6m.

Touching on the current year, the chairman Dr David Atterton believes market conditions will not be significantly different from the latter half of 1984, and at the moment he sees steady progress.

In 1984 sales improved by 20.6 per cent, from £397.66m to £479.73m and the trading profit by 48.5 per cent, from £26.09m to £38.75m. The group makes chemicals and supplies for the foundry, steel making and construction industries, makes abrasive materials, and trades as an oil re-refiner.

A split of the sales and profits show Foseco £256.45m (£199.54m) and £22.82m (£13.8m), Fosroc £88m (£75.41m) and £9.17m (£8.02m), Unicorn £118.04m (£105.41m) and £8.09m (£4.9m), Fosmin £17.23m (£17.3m) and £553,000 (£854,000), less management and services £1.89m (£1.48m). Interest charges were £4.24m (£5.47m).

Dr Atterton says in the Foseco sector the improving trend of the second half of 1983 continued into last year with record sales and profits in many countries of operation. Fosroc had a year of good, but less spectacular, growth, while sales of the recent acquisition of Gibson-Homans has significantly expanded this side's presence in the key U.S. market.



This acquisition is not expected to have a positive impact on profitability in 1985, although this substantial investment for continuing growth in Fosroc is expected to enhance the prospects of the group in the longer term.

Unicorn achieved substantially improved trading profits in the first full year to see "the benefits of much hard work," the chairman states.

Currently, the group is enjoying generally good activity levels in the majority of its markets, but the Middle East remains depressed and some countries are suffering from uncertainties and difficulties because of the recent violent fluctuations in exchange rates.

After tax £13.36m (£8.45m) and minorities and preference dividends £1.8m (£1.64m), the net profit for 1984 came to £19.35m (£10.54m) for earnings of 23.7p (12.9p) per share. There are extraordinary credits of £30,000 (£13,000) and the ordinary dividend absorbs £6.68m (£6m).

● **comment**

Foseco is still saddled with the dull image of a steel industry supplier and even last year's strong recovery, pushing earnings per share above the 1980 peak, could not hold the share price from a 3p drop to 227p. Yet new products in the metallurgical division leave Foseco better equipped to handle a downturn in steel production in the U.S.: last year sales and profits easily outstripped production growth. The abrasives and coating business, Unicorn, managed to repair its dismal margins last year and there may be room for price increases in the short term. The key to a more interesting performance is the building chemicals side, Fosroc, but this can scarcely be pushing its products through the Gibson-Homans acquisition in the U.S.—to justify what was, after all, a high multiple—before late 1986 or so. Given Foseco's good cash flow, even equity gearing of nearly 50 per cent makes a rights issue less than probable. But the share price is unlikely to recover its underperformance since the 1982 steel collapse, despite a prospective multiple of 8.5 and a yield of almost 6 per cent.

All-round improvement boosts Shiloh

A steady improvement in all areas of business at Shiloh is reflected in improved profits before tax of £416,973 compared with £125,791 for the year to the end of March 1985, says the directors. Second-half profits were ahead from £17,904 to £299,715.

The directors see the group making further progress in the coming year. The final dividend has been lifted from 0.75p to 1.25p which gives a higher total of 2p (1.75p). Earnings per 25p share are shown as rising sharply from 3.89p to 14.03p.

They say the spinning subsidiary had a better year and both spinning mills are operating "on a profitable basis." The medical disposable and protective clothing subsidiary increased turnover by 20 per cent

The new subsidiary in computer software made a "small but encouraging" contribution in its first full year in the group. Group turnover increased from £11.34m to £14m.

John Mowlem up 10% to £11m

John Mowlem managed to increase profits in 1984 by 10 per cent from £10.1m to £11.1m pre-tax, and at the end of March 1985 forward work stood at £375m. Turnover was up £85m to £385m.

There was a change in the relative contributions from divisions with continued growth at Mowlem Technology, increased returns from property development, but construction was below expectations.

At Mowlem Technology, "good progress" was made by Buehler, while ELE showed "a marked recovery" compared with 1983.

"Good profits" were produced by the regional construction operations, including McTay and the South East building company.

However, Mowlem's major UK civil engineering business was affected by two projects although other work was satisfactory.

"We have actively and profitably expanded in the construction market in Scotland and our management contracting business is growing rapidly," says Mr Philip Beck, the chairman.

The dividend total is being raised from 11.2p to 11.93p through a higher final payment of 9.73p. Earnings rose by 1.7p to 28.7p per share.

● **comment**

John Mowlem's 10 per cent increase in pre-tax profits—news of which helped the shares gain 12p to reach a 1984-85 high of 230p—deserves closer examination than the market gave it yesterday. For taken above the line were £3m from the sale of a property that had previously been in the books as a fixed asset. At the end of 1983 the group had only £1.8m (at a December 31 1983 valuation) in investment properties to hand but it apparently views occupied properties as trading ones. If this gain is stripped out then a rather different perception of the underlying performance might well develop. The group has also been experiencing some management difficulties. In mid-March, Mr Michael Marsh, finance director of six years standing, resigned. Some time earlier the chairman, managing director and finance director of the key technology division also left the company. This division provides over half of the non-property profits. With future earnings at Diego Gracia dependent on Congressional votes and the UK side not expected to make much progress, the analysts are looking for only £9m pre-tax (and before any property gains) in 1985. One consolation is that the group will not be paying much if any tax in the U.S. as the joint-venture in which it is involved has been losing money for some time. Rather confusingly the last two years have seen a total of £3.4m of these losses carried below the line. Therefore few prizes for Mowlem's presentation although the notes to the annual accounts could make interesting reading. With these uncertainties and given the possible impact of the restructuring of the technology division the group may find it hard to support its undemanding historic p/e of 8.3.

Tricentrol erects its bid defences

BY ANDREW GOWERS

Tricentrol, the UK independent oil company, yesterday put up its first line of defence against a possible hostile takeover bid by issuing optimistic forecasts for production and cash flow over the next 10 years.

The company has been the subject of much bid speculation in recent weeks following news that Enterprise Oil, the independent company formed by floating off British Gas's oil interests last year, has built up a 4.7 per cent stake in it.

Referring to the merger speculation, Mr James Longcroft, the company chairman, told its annual general meeting: "We don't believe that's going to happen, and we certainly intend to fight it if anyone is so bold as to try. This company has a very great future if you take a five-year view. We believe that we have the funds to do the job, and we want to be left alone to do it."

Mr Longcroft revealed to shareholders a 10-year plan, based on the company's proven, probable and established reserves, which shows production multiplying threefold to peak at about 15m barrels of oil equivalent (boe) per year and operating cash flow reaching about £220m in 1990.

Mr Longcroft said the company planned to invest £240m in the next five years. He admitted that operating cash flow would not be sufficient in the next few years to finance its appraisal and development work, but he said this could be obtained by borrowing, and the projected rise in production would provide ample cash-flow in order to repay loans later.

Speaking to journalists after the meeting, Mr Longcroft indicated that if Enterprise did make a bid for Tricentrol, it would bid for Enterprise in return.

"That would be the obvious course. It might activate the Golden Share and put things on an even keel," he said in a reference to the stake in Enterprise held by the Government.

However, Mr Longcroft was due to meet Mr Graham Hearne, chief executive of Enterprise, last night to discuss what he termed "items of muture interest."

Tricentrol also published its first quarter figures yesterday, which show pre-tax profits at £8.9m compared with £8.6m

New launch by the Quester stable

By William Dawkins

The first Business Expansion Scheme fund of the current tax year, the Quadrant Development Capital Fund 1985, is asking investors for between £1.5m and £3m.

Quadrant was launched yesterday by Quester Capital Management, a venture capital group jointly owned by stockbrokers Quilter Goodison and CIN Industrial Investments, the unquoted equity arm of the National Coal Board pension funds.

Quester launched a £2.5m fund last year, which was fully invested in nine companies by the end of the tax year in businesses ranging from wine kit manufacturing to publishing to aluminium ingot production.

The BES, launched in 1983, permits investors in unquoted companies to claim tax relief on their investments so long as they keep their shares for five years.

The current fund, which promises to be fully invested by the end of the tax year, will follow a similar investment policy to its predecessor in that it will back a wide range of industries.

It aims to invest primarily in established companies and management buyouts. Applications must be received by June 28.

Bellway falls to £0.7m but sees demand upturn

Bellway, the housebuilder which recently diversified into ship repair, saw taxable profits decline from £1.17m to £680,000 in the half year to January 31 1985.

Mr Kenneth Bell, the chairman, says that now that the miners' strike is over, he looks forward to increased sales in the Northern area of operations. Group sales in the half year were virtually static at £19.82m against £19.1m.

The south east market has not suffered in the same way, he says, and has performed well. The new company, Bellway (North London), has acquired several sites for residential development, but the chairman does not expect completion of the first units until the next financial year.

The urban renewal programme is expanding and the chairman hopes it will continue to gather momentum, "provided Government support continues."

Last March the company, along with A&P Appledore, a shipyard consultant, jointly acquired Falmouth Shiprepair from state-owned British Shipbuilders for £1.75m. Mr Bell anticipates substantial growth from this venture, in view of its partner's expertise in the field.

The dividend is held at 3p net per share at midway, following a total of 7p last time when taxable profits reached a record £4.03m.

After a tax charge of £258.000 against £445.000 net profits came out at £422,000 (£725,000) or 2.4p (4.2p) per share.

● **comment**

The effect of the miners' strike and rising unemployment have not surprisingly made people in the north disinclined to buy new houses. That combined with a higher interest charge were jointly responsible for the fall in Bellway's interim profits. Neither factor was unexpected, and analysts are still forecasting a good enough second half (which is typically better anyway) to lift the year's profits to a shade above the 1984 total. The company is reasonably confident of a modest pick up in the housebuilding market throughout the country and hopes at least to match last year's 1,500 completions. Even so, prospects aren't too exciting, and the shares at 127p stand on a multiple of 8, assuming 1985 profits of £4.1m on a tax charge of 35 per cent. Thrown in for nothing in this rating is Bellway's recently acquired stake in the Falmouth shiprepair yard, which compliments its 20 per cent interest in the Falmouth container terminal project. Plans to finance the latter from outside sources are progressing and although the terminal will not be completed until 1988 at the earliest, it could, together with improved profits from the shiprepair yard turn out to be more than a useful diversification.

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UK COMPANY NEWS

Solicitors Law gives into Hollis reluctantly

By Charles Batchelor

The Solicitors' Law Stationery Society yesterday gave its reluctant backing to the bid terms announced on Tuesday by Hollis Bross & ESA, the office and schools supply company controlled by Mr Robert Maxwell's Pergamon Press.

The Hollis offer values each Solicitors' Law share at 35p and the entire company at £4m. Pergamon already owns 74.4 per cent of Solicitors Law following last week's purchase of a 50.2 per cent stake from Thomson Organisation.

Solicitors' Law said the offer price seriously undervalued its future prospects. Before Pergamon acquired control of Solicitors' Law, Thomson had received two approaches which might have led to an offer for the company at a higher price than that paid by Pergamon, it added.

By remaining as minority shareholders in Solicitors' Law rather than in Hollis, shareholders would have a better opportunity to benefit from Solicitors' Law's future prospects, it said.

But the marketability of Solicitors' Law shares was considerably less than that of Hollis, where the current market value of the minority holdings was more than £12m, compared with £1m for the Solicitors' Law minority.

Unless there is a higher offer which Pergamon is prepared to accept the Solicitors' Law board said it would reluctantly recommend shareholders to accept the 35p offer.

Shareholders willing to become minority holders in a company controlled by Pergamon should accept the Hollis share offer. Shareholders not willing to do so should accept the alternative Pergamon cash offer, Solicitor's Law said.

Mr Michael Stoney, Solicitors' Law's finance director, said that despite its dissatisfaction with the level of the Hollis/Pergamon offers the company was delighted that the uncertainty resulting from the large Thompson and Pergamon holdings had now been resolved.

Allied says LMI offer 'lacks commercial logic'

BY MARTIN DICKSON

Allied Textile Companies, which is fighting a £44m takeover bid by London & Midland Industrials, said yesterday that LMI wanted ATC's financial assets to repair its own balance sheet, and was attempting to do so at the expense of ATC's shareholders.

In its *formal defence document*, the company said it believed *LMI's* "*principal motive* is to gain control of ATC's *substantial liquid* assets and to reduce its own excessively high borrowings."

It said the value of the offer was inadequate and the board could not advise shareholders to exchange "your shares in ATC, a company with a successful record and clear direction, for shares in LMI, whose record is dismal."

The document added that there was no commercial logic in a takeover of Huddersfield-based ATC, which is a textile and investment group, by LMI, an industrial holding company with no experience of the textiles business.

LMI is offering 13 of its shares for every five in ATC. On the basis of last night's LMI closing *price of* 183p, down 1p on the day, that values each ATC *ordinary at 475.8p.* ATC closed lastn ight at 490p, up 10p on the day. There is a *partial* cash alternative worth 457p.

ATC said that its textile busines was now moving to a higher *level of activity* and the company intended to expand by acquisition as well as by organic growth. iWth plans formulated to "move forward after years of retrenchment," the board was reappraising dividend policy and, as a first step, intended to increase the interim dividend substantially.

It argued that since the mid-1970s LMI's growth had been almost entirely by acquisitions, and it had only increased pre-tax profits by continuing to issue shares to buy those profits. *Since 1979 its issued ordinary* share capital had increased by *162 per cent.* LMI's *dividend* record had been poor, and pay*mnets had been uncovered in* each of the three years ended March 31 1984.

However, Mr Bill Beddow, LMI chairman, hit back last night, saying ATC was continuing to offer "jam tomorrow," as its chairman had been doing in his statement for several years.

The defence document, he added, did not give shareholders a plan for the future on which they could evaluate whether to accept the offer. It was also incorrect in its attack on LMI's profits record.

Midsummer directors to inject own interests in £1.6m deal

Midsummer Inns, the real ale pub chain, is to take over three of the private companies controlled by its chairman, Mr Adam Page, and by another director, Mr Paul Reece, in a deal worth £1.55m.

Trading resumed in the company's stock on the Unlisted Securities' Market yesterday following a two-week suspension at 235p. The shares rose to 280p at one point but closed at 270p.

This deal will put an end to potential *conflicts* of interest between a quoted group con*trolled by individuals* who have private businesses operating in *the same trade, Midsummer* said.

The acquisitions also fit in with the plans of Mr Page and Mr Reece to expand the number of Midsummer's trading outlets and increase the asset and profit base of the company. The enlarged grouping will also eliminate inefficiences resulting from the need to keep the private and public businesses apart.

At the same time Midsummer announced it made an unaudited interim pre-tax profit of £111,000 in the *26* weeks ended March 1985 on turnover of £932,000 compared *with profit of £25,000* on turnover of £788,000 in the 28 weeks ended January 1984, the closest comparable period.

Earnings per share rose 163 per cent to 11.3p per share. *Trading in the second half of* the year ending September 1985 has started well and results for the full year should be well up *to expectations, the Midsummer* board said.

*Midsummer is buying Charn*wood Leisure, which owns a *discotheque* in Shrewsbury and a restaurant and discotheque in Swansea; Charnwood Shopfitters, which designs and refurbishes properties for Mr Page, Mr Reece and Midsummer; Swithland Leisure, the company through which the two directors own *62.8 per cent of Midsummer* and which also owns a pub and *discotheque in Solihull;* and Isabella's discotheque in *Sheffield.*

These companies are estimated to have made a pre-tax profit of not less than £147,000 in the 26 weeks ended March 1985. The properties to be acquired have been valued mainly by Conrad *Ritblat, consultant surveyors and* valuers, at £1.56m.

Midsummer will pay £941,000 in cash and issue 271,722 new shares to finance the purchase. The company will seek the approval of its shareholders for the deal at an extraordinary meeting on May 24.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1980=100); engineering orders (1980=100); retail sales volume (1978=100); retail sales value (1980=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value*	Unemployed	Vacs.
1984							
1st qtr.	104.0	99.0	103	107.7	122.7	2,996	147.0
2nd qtr.	101.8	99.7	107	110.2	130.1	3,026	154.0
3rd qtr.	102.2	101.2	107	111.1	133.3	3,076	165.1
4th qtr.	103.1	100.8	103	113.6	164.0	3,103	166.5
October	102.7	100.2	106	112.0	139.9	3,100	170.5
November	102.9	100.7	100	112.7	149.6	3,102	167.6
December	103.6	101.5	104	115.6	194.9	3,106	161.3
1985							
1st qtr.				112.3		3,138	157.5
January	105.2	101.3	100	111.6	134.4	3,124	157.2
February	105.0	102.2		112.0	130.2	3,144	156.1
March				113.3		3,147	159.2

OUTPUT—By market sector; consumer goods, investment goods, intermediate goods (*materials and fuels*); engineering output, metal manufacture, textiles, leather and clothing (1980=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1984							
1st qtr.	100.1	93.9	110.5	96.2	113.5	95.9	16.2
2nd qtr.	101.3	95.4	105.3	97.7	106.1	97.2	18.0
3rd qtr.	102.0	97.2	104.5	100.1	109.4	98.0	16.2
4th qtr.	102.3	97.1	106.1	99.1	106.5	99.7	13.3
September	103.0	98.0	105.0	101.0	110.0	100.0	15.2
October	102.0	96.0	106.0	99.0	105.0	99.0	16.5
November	102.0	97.0	106.0	99.0	108.0	100.0	13.9
December	103.0	98.0	107.0	100.0	106.0	100.0	9.5
1985							
January	103.0	98.0	110.0	100.0	102.0	99.0	11.5
February	104.0	99.0	108.0	101.0	107.0	101.0	11.9

EXTERNAL TRADE—Indices of export and import volume (1980=100); viable balance; current balance (£m); oil balance (£m); terms of trade (1980=100); excluding reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1984							
1st qtr.	108.7	112.1	− 57	+623	+2,322	97.3	16.75
2nd qtr.	107.3	117.1	−1,228	−392	+1,543	96.9	15.51
3rd qtr.	108.0	119.8	−1,643	−621	+1,804	96.7	15.26
4th qtr.	117.5	126.1	−1,327	+641	+1,468	96.1	15.52
October	115.4	131.2	−807	+201	+373	96.4	15.35
November	118.0	120.8	−177	+303	+352	95.9	15.50
December	119.2	126.2	−344	+136	+743	96.0	15.69
1985							
1st qtr.	118.5	124.8	−1,245	+ 16	+1,976	95.5	
January	116.5	118.2	− 76	+341	+928	96.0	15.52
February	121.5	124.4	−270	+131	+681	95.0	15.35
March	117.6	131.6	−900	−456	+367	95.6	15.64

FINANCIAL—Money supply M0, M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); building societies' net inflow; HP, new credit; all seasonally adjusted. Clearing Bank base rate (end period).

	M0 %	M1 %	M3 %	Bank advances %	BS inflow £m	HP lending £m	Base rate %
1984							
1st qtr.	4.1	10.1	8.2	13.6	2,609	2,868	8.50
2nd qtr.	4.6	24.5	11.1	18.9	1,795	2,870	9.25
3rd qtr.	5.3	10.2	6.3	9.9	1,628	2,809	10.50
4th qtr.	9.6	24.3	13.4	16.9	2,492	2,941	9.63
September	4.4	7.8	4.0	2.4	887	891	10.50
October	6.7	18.5	9.6	11.4	1,125	1,003	10.50
November	9.9	27.3	18.6	17.1	363	967	9.63
December	12.2	27.2	12.1	22.4	1,004	971	9.63
1985							
1st qtr.	2.2	0.7	9.1	15.2	1,511		13.50
January	5.0	9.0	13.6	16.3	823	1,164	14.00
February	3.1	− 5.0	4.6	13.3	474	1,015	14.00
March	− 1.3	− 1.2	9.2	16.0	214		13.50
April							12.63

INFLATION—Indices of earnings (Jan 1980=100); basic materials and fuels, wholesale prices of manufactured products (1980=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (1975=100).

	Earnings*	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* comdty.	Strlg.
1984							
1st qtr.	153.6	133.6	129.0	343.9	321.7	308.67	81.7
2nd qtr.	155.9	134.3	132.0	350.9	329.1	305.06	79.8
3rd qtr.	159.6	134.1	132.8	353.9	326.8	288.95	78.0
4th qtr.	164.1	140.1	134.3	358.3	326.6	289.64	74.1
September	159.9	135.2	133.3	355.5	324.9	288.95	77.2
October	164.2	137.9	133.9	357.7	326.2	292.40	75.6
November	162.8	139.2	134.3	358.8	326.6	289.89	75.7
December	165.3	143.4	134.9	358.5	327.6	289.64	74.1
1985							
1st qtr.		146.2	136.6	362.9	332.8	295.22	72.0
January	163.4	145.3	135.9	359.8	330.6	296.98	71.5
February	164.6	147.6	136.6	362.7	332.5	295.73	71.3
March		145.6	137.3	366.1	335.4	295.22	73.3
April						295.08	78.0

*Not seasonally adjusted.

Synterials reduces cash offer to shareholders

BY LIONEL BARBER

Synterials, the Dutch-based USM company, is to reduce slightly the £10.8m cash it *promised to pay back to shareholders after delays in developing industrial components out of synthetic materials.*

Synterials raised a record £20m when it joined the USM in December 1983, but subsequently found it had surplus working capital.

The board said yesterday that it intended to repay £10.27m to shareholders, equivalent to 5.5p per ordinary share now in issue, as opposed to the promised 6p per ordinary share by mid-August this year.

Sir John Hill, chairman, explained that the reduction was due to an impending High Court case, which will consider the repayment proposals. The company had been advised that the High Court would impose strict requirements for the protection of creditors and working capital.

"We will consider subsequently all possible ways whereby the payment to shareholders of a further 0.5p can be effected as soon as practicable," said Sir John.

Synterials' shares closed at 8p, unchanged on the day. The shares were offered for sale at 100p in December 1983.

A circular to shareholders setting out the repayment terms will also contain information on the acquisition of Ramix, BV, announced last month. Sir John said Synterials had paid £720,000 for the share capital and assumed debt of £462,000.

Heywood/Planet merger

BY TERRY POVEY

Heywood Williams and Planet Group have announced plans for an agreed merger which if it meets with shareholders approval will see the creation of an £90m turnover building industry supplies distributor and manufacturer with a good position in the UK and the U.S. markets.

The Heywood *offer—four of* its shares for every five of *Planet—*values the door and window manufacturer at £11.2m on *yesterday's closing price.* News of the offer terms boosted Planet strongly—*taking them up* 18p to 106p, a 1984-85 high. *Heywood closed down 5p at 141p.*

Both companies are agreed that their businesses fit well together. Planet has been disentangling itself from the caravan sector for some time and the disposal of its loss making Luxembourg unit clearly paved the way for the takeover's completion.

Among Planet's attractions to Heywood is some £0.5m in ACT relief that the company has been unable to use due to the lack of UK earnings. Its successful U.S. operation is also clearly an attraction.

The Heywood share offer—to which there is a cash alternative of 104p—will become final 21 days after the dispatch of the formal offer documents. Robert Fleming, financial advisers to Planet, are backing the takeover scheme as fair and reasonable.

J. Rothschild disposal

J. Rothschild Holdings yesterday announced a second interim dividend for shareholders and a further disposal as part of its continuing transformation.

The group is to pay shareholders 3p per share which conforms with the dividend forecast in its previous incarnation of Charterhouse J. Rothschild, the fund management and investment holding company.

The second interim is required because of a change in the financial year end to March 31, an extension from 12 to 15 months.

J. Rothschild also announced that it was disposing of its 60 per cent interest in J. Rothschild Charterhouse Management (JRCM) to Mr Richard Thornton and associates.

The agreed sale values JRCM at £2.17m and J. Rothschild Holdings will *receive £1.3m for* its interest. The group said yesterday that the sale was part of its stated policy of concentrating on using its capital resource as a principal.

J Rothschild Holdings interest goes back to the flotation of *Charterhouse J. Rothschild* Pacific Investment Trust (Pactrust). *The group took a 60 per cent* interest in JRCM, a fund manage*ment company specialising in the* Far East, particularly Japan, and *which managed Pactrust. The* group still holds a 20 per cent *interest in Pactrust.*

JRCM will now be renamed Thornton and Co and will continue, with its Hong Kong subsidiary, to act as investment adviser and manager of Pactrust.

BIDS AND DEALS IN BRIEF

First National Finance Corporation shares held in discretionary investment portfolios managed by, or on advice from Warburg Investment Management (including investment portfolios held for their own account by members of the Mercury Securities Group) have been *increased* to 19.85m ordinary shares (equal to 16 per cent of total voting *rights) by* the acquisition of 250,000 shares.

* * *

Reed International has completed the sale to Borden Inc of its Crown Wallcoverings operations in the UK and its Sunworthy Wallcoverings operations in Canada and the U.S.

Estimated results of these businesses in the year ended March 31 1985 are a trading profit of approximately £2.5m on a turnover of £73m.

The cash consideration paid on completion was equivalent to *£28.6m.*

* * *

As a result of a typographical error, the Company Share Stakes column on page 20 of the FT on Monday, April 22, suggested that the chairman of Cattle's (Holdings) had sold 1.75m shares in the company. This is incorrect.

APPOINTMENTS

Lloyds Bank regional directors

LLOYDS BANK regional director Mr David Kenneth Rowe-Ham has been appointed a member of the Greater London regional board of LLOYDS BANK. He is a consultant to Touche Ross & Co and a director of various public companies. Mr H. W. G. Elwes, chairman of Gloucestershire County Council and a forester, farmer and land owner, has been appointed a member of *the Bristol regional* board of the bank from June 1.

*

RTS TECHNOLOGY has appointed Mr David Fogden as managing director. He is a founder shareholder.

*

The WHOLESALE CONFECTIONERS' ALLIANCE has elected Mr Barry Bowen, executive director of Moffat, as president.

*

The MATTHEWS-DANIEL GROUP has appointed Mr Peter Bate as managing director in addition to his duties as chairman of Matthews-Daniel International in London. Mr H. E. "Gene" Kelley will become deputy chairman of the group in addition to his duties as president of Matthews-Daniel Company in Houston.

*

Mr Mike Mitchell has been appointed UK manufacturing operations director responsible for the CUMMINS ENGINE COMPANY plants at Shotts, Lanarkshire and Daventry, Northampton. He was formerly plant manager at Daventry. Mr R. B. "Rick" Stoner jnr has been appointed plant manager at Daventry. He was area director responsible for marketing in Europe, the Middle East and Africa.

*

Mr Matthew Mack has relinquished his role as chairman and joint managing director of M. AND W. MACK but continues as a director. His brother Donald takes over the chairmanship. Mr Tony Wolff, a main board member, will become joint managing director with Mr Donald Mack. Mr John Smale, group financial director, has been succeeded by Mr Mike Jones. Mr Smale continues as a director until the annual meeting in October.

*

The NATIONAL COAL BOARD has appointed Mr Peter Keenan as head of staff department. He was director of staff planning and organisation.

*

Mr Kevin Corcoran has been appointed EW (HOLDINGS) *managing* director. He headed Edmunds Walker before the "*merger*" with *Unipart Group,* and now has responsibility for *Edmunds Walker, EW Bearings,* Truck and Trailer Components and Cardan Electrics.

*

Mr Michael Wood has been appointed financial director of POWER EQUIPMENT, a Halma security division subsidiary. He was company secretary.

*

Mr G. R. W. Prevost, company secretary, has been appointed a director of STEEL BURRILL JONES.

*

GEECO PRODUCTS has appointed Mr J. E. S. "Teddy" Brookes as managing director. He was sales director of Curver *Consumer Products. Geeco Products* is part of the McKechnie Group.

*

WOOD MACKENZIE AND CO. stockbrokers, has appointed Mr *Ian T. McLean and Mr Roger* M. Hulett as directors and Mr *Douglas Murray will be similarly* appointed, subject to the per*mission of the Stock Exchange,* from May 20.

*

KNOBS AND KNOCKERS has *appointed* Mr Malcolm Woolff as an executive director with *special responsibility* for the architectural, trade, distributive *and manufacturing divisions.* He was managing director of Albion Crystalcut.

*

GAULT ARMSTRONG AND KEMBLE has appointed Mr *Howard Jones to the board.*

*

Mr Roy Agar has been appointed managing director of BLUE ARROW CLEANING GROUP, a wholly-owned sub*sidiary of Blue Arrow. He was* deputy chairman of Brengreen (Holdings).

*

Mr Derek J. Dodd has been appointed surveying director of JOHN NUGENT CONSTRUCTION.

*

Mr James Gulliver, chairman *of Argyll Group, has been* appointed visiting professor in business strategy and marketing at the University of Glasgow, department of management studies.

*

Mr Alan Samson has joined the board of MACDONALD as publishing director of Queen Anne Press. He was senior non-fiction editor at Macmillan London.

*

Mr Christopher Brooks has joined the board of Operations and Personnel Development (OPD). He comes from Armitage *Norton Consultants,* where he was managing director.

*

Mr Denis A. Campbell has been appointed a *director of* BRADSTOCK, BLUNT (NORTHERN), and Mr Nigel W. Bothwell becomes an associate director of *Bradstock, Blunt (NI).*

*

Mr Ivor Richard, until recently a Commissioner at the European *Community headquarters* in Brussels, has been appointed chairman of WORLD TRADE CENTRE WALES.

*

A T KEARNEY has appointed Sir Jack Stewart-Clark MEP (East Sussex) to the board of the company. From 1974 to 1979 he was managing director of Pye of Cambridge. In 1979, he was elected member of the European Parliament for East Sussex and in 1984 he was re-elected to the *same constituency gaining* the largest majority in the UK.

*

Berkt Management has established a British subsidiary, BERKT MANAGEMENT INTER*NATIONAL.* Mr Brian A. Knibb has been appointed vice presi*dent responsible for the new* operation. He was manager, *European automotive* group, with A T Kearney.

*

Mr Martin Bonds has been *appointed a director of* LANGTON UNDERWRITING AGENTS.

*

The new president of the National Council of Building *Material Producers (BMP) is* Mr Colin Corness, chairman of Redland.

*

Lord Strathalmond has been appointed a director of BAIN DAWES (*UNDERWRITING* AGENCY). Lord Strathalmond was with a Sedgwick company, Bland Welch Underwriting and was also company secretary of Three Quays Underwriting Management.

*

CPS DATA SYSTEMS, a subsidiary of CPS Computer Group, has apopinted Mr Richard Drayton as technical director. He was *engineering manager.*

*

The SCOTTISH LIFE ASSURANCE CO. has appointed Mr G. Malcolm Murray, deputy general manager and Mr Anthony P. Limb, assistant general manager and secretary to the board. Mr James Gilchrist, agency manager, becomes assistant general manager and agency manager.

*

ANGLIA TELEVISION GROUP has appointed Mr Tim Wootton to the board as sales director.

*

Mr John E. A. Mocatta has joined DEARDEN FARROW as a director of D. F. Financial Services, the firm's NASDIM company. A former managing director of United City Merchants, Mr Mocatta has, for the past two years, headed the corporate finance activities of stockbrokers Buckmaster and Moore.

*

Mr Peter E. G. Balfour and Mr G. Peter Webster have been *appointed directors of* CHARTERHOUSE JAPHET.

*

At YOUNG & RUBICAM EUROPE, *the chairman,* Mr Tim Davis, has decided to leave the agency, and *will be announcing* his personal plans shortly. The *company is moving to a new* group management system. Its *core will be an executive com*mittee, which will comprise the *following:* Mr John Banks, who has been appointed chairman of Young & Rubicam; Mr David Miller, named managing director; Mr Chris Wilkins, creative director and deputy chairman; and Mr Chris Dickens, deputy chairman in charge of media and becoming responsible for all finance and administration in the agency. All are internal promotions.

*

Mr Alex F. Masters has joined the board of SYLTONE, Brad*ford, as a non-executive director.* He is deputy chairman of Com*pair, executive director of* Imperial Continental Gas As*sociation, a non-executive director* of the 600 Group.

UK COMPANY NEWS

MINING NEWS

Lower gold prices and production pressure Lac

BY KENNETH MARSTON, MINING EDITOR

ONE OF Canada's leading gold producers, **Lac Minerals** reports first quarter earnings of C$7.8m (£4.7m), equal to 30 cents per share. This follows earnings of C$5.07m in the previous three months but is below the C$9.28m achieved in the first quarter of 1984.

Lac attributes the fall in first quarter profits to reduced gold production—67,453 oz compared with 72,222 oz—lower gold prices, higher operating and exploration costs and the write-down of the investment in Great Whale Iron Mines.

On the other hand, the group benefited from increased investment and other income, more favourable exchange rates and lower tax. The decline in first quarter gold production is not considered to be significant.

Lac is one of the few groups to be successfully operating a forward sales policy for its gold. Forward sales deliveries made in the latest quarter realised an average US$370 per oz compared with a market average of $302.

Last month it agreed to sell 328,800 oz for delivery at set dates at an average price of $350. This included 145,000 oz sold forward against future production from the new mine at the Hemlo gold camp in north-western Ontario, which is now expected to reach production at the end of this year ahead of the previously scheduled mid-1986 start.

Meanwhile, the first gold bar has been poured at the Hemlo camp. It has been produced at the Golden Giant underground mine of the **Noranda-Goliath Gold Mines-Sceptre Resources** partnership, three years from the initial discovery.

The mine's official opening is not due until next month, but its mill is now operating at a rate of over 700 tonnes of ore per day and should reach 1,250 tonnes by the end of the year. In 1988, Golden Giant should be handling 3,000 tonnes per day.

Annual gold output in the early years is expected to run at about 380,000 oz and ore reserves are sufficient for a life of over 20 years. Operating costs have been estimated at not much more than US$100 per oz of gold.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims—G. R. (Holdings), Rand Mines Properties, Transvaal Consolidated Land and Exploration, United Wire, Wemyss Investment Trust.

Finals — Aberdeen Construction, British Investment Trust, British Syphon Industries, Davies and Newman, Edmond, Fleming Far Eastern Investment Trust, Highcroft Investment Trust, Holt Lloyd International, Hunting Associated Industries, Inchcape, F. J. C. Lilley, Minet.

FUTURE DATES

Interims—	
General Stockholders Inv. Tst.	May 15
Stockholders Investment Trust	May 15
Finals—	
Garnar Booth	May 7
King and Shaxson	May 9
Seccombe Mrshll. & Campion	May 14
"The Times" Veneer	May 3

McMoRan off to a good start

Freeport McMoRan has remained in profit throughout the years of economic recession, a notable achievement for a U.S. natural resource group. It now announces a good start to 1985 with first quarter earnings of $25.7m (£21m), equal to 38 cents per share.

This compares with $22m a year ago and $24.9m in the final quarter which brought the 1984 total to $94.1m compared with $93.5m in 1983. Major products are agricultural minerals, oil and gas, uranium, gold and copper.

The increase in the latest quarterly earnings reflects a *major gain in oil and gas income* following last year's energy acquisitions and a continued good performance at the agricultural minerals sector.

Metal operations continued to be overshadowed by low prices for copper and gold, but copper earnings were boosted in the quarter by an additional shipment of copper concentrates.

MINING NEWS IN BRIEF

The *Consolidated Gold Fields* group's Australian arm, **Renison Goldfields Consolidated**, is pulling out of the Beaconfield joint venture in Tasmania, leaving it with **Austamax Gold, Allstate and Tricentrol.**

The venture aimed at reopening the Beaconsfield gold mine, which closed down in 1914, with the object of mining its lower levels.

Renison's decision to withdraw follows an in-house study of the economics of mining an assumed ore reserve of 1m tonnes grading 24 grammes gold and 4 grammes silver per tonne plus one per cent copper at a gold price of A$400 per ounce (about US$260).

* * *

The South African **Gencor** group is to farm-in to the Australian **Ivanhoe Gold's** Beaton's Creek gold prospect at Nullagine in Western Australia. Gencor will have the right ot earn a 50 per cent interest in the area by spending A$2m (£1.1m) on exploration within five years. Apart from Ivanhoe, other partners in the prospect are **Indian Ocean and Black Hill Minerals.**

* * *

Botswana RST lost Pula 226.8m (£106.2m) last year compared with a loss of Pula 106m in 1983, despite increased production and sales of nickel-copper matte. The company continues to be burdened by heavy interest charges and last year suffered a sharp increase in unrealised currency exchange losses. The accumulated deficit at the year-end was Pula 606.2m.

* * *

South Africa's gold output in March amounted to 1,851,359 oz compared with 1,830,743 oz in February, according to the Chamber of Mines. The total for the first three months of the year is brought to 5,522,930 oz against 5,393,394 oz in the same period of 1984.

Thomson T-Line

Losses at **Thomson T-Line**, timber merchant, rose again in 1984 and at the pre-tax level reached £209,000, compared with a previous £145,000—the company last made a profit in 1976.

Turnover improved from £1.8m to £2.09m. Tax added £3,500 (took £3,500) and extraordinary credits amounted to £74,000, against £90,000. Loss per 25p share, pre-extraordinary items, totalled 12.72p (9.2p). The company was formerly Thomson T-Line Caravans.

Spong back in the dividend list as recovery goes on

Spong Holdings, housewares distributor, continued its recovery in the second six months of 1984 and with profits for the full year showing an improvement of over £230,000 dividends on the ordinary shares are being resumed for the first time since 1978.

Furthermore, the group has *started 1985 in a strong* liquid position, helped partially by the sale last December of the business and assets of Murell, a wholesaler of branded kitchen-ware.

For 1984 sales pushed ahead from £1.76m to £4.24m and at the pre-tax level profits increased by £235,000 to £271,000.

The group *is* paying the arrears of preference dividends for 1983 and meeting the 1984 payment. Ordinary shareholders will receive a dividend of 0.1p net from earnings of 1.29p (0.28p) per 5p share.

The results reflect the investment made in management and in product ranges since the *capital reconstruction carried out* in the autumn of 1982.

The aggregate of the net sums realised from the sale of the business and assets of Murell, together with dividends declared by the Murell group since its acquisition, has enabled Spong substantially to recoup the investment made when the group was acquired *in December* 1983. Murell Sales, which is trading profitably, was retained.

Some two-thirds of total group sales now take place during the second half of the calendar year while overheads are incurred evenly throughout the year. It in the pattern of the business will increase and the directors are therefore proposing to change Spong's year-end date to April 30 so as to reduce the imbalance of these features. Accordingly, two interim statements will be circulated for the 16-month period to April 30 1986.

The period is invariably the lowest in terms of sales, and a losss has customarily been budgeted.

Earlier this year Spong Printing was set up as a new subsidiary. The group's printing division has grown significantly over the past 18 months and the directors are anticipating a further increase in sales and profits in the current term.

The group acquired Croydon Press in March and completed the purchases of Vinicool, Check Engineering and Plastics, and Check Tools last month.

With the acquisition of Vinicool, Spong now has worldwide distribution rights for the entire Vinicool range of products.

As part of the arrangements Spong negotiated a five-year term loan of £200,000 from Hambros Bank, the proceeds of which will be used to repay Vinicool's debt to Hambros of a similar amount.

Hambros has agreed to make available a further working capital facility to Spong.

The directors believe the acquisition of these businesses will enable Spong *to strengthen* its position by extending its right to market the whole range of Vinicool products throughout the world without paying commission on sales.

Yearlings total £10m

Yearling bonds totalling £10m at 12⅛ per cent, redeemable on May 7 1986, have been issued by the following local authorities:

Great Grimsby Borough Council £1m; Kirklees Metropolitan BC £1.5m; Middlesbrough District Council £0.5m; Bassetlaw DC £0.5m; Langbaurgh BC £0.5m; Malvern Hills DC £0.5m; Taff-Ely BC £0.5m; West Lancashire DC £0.25m; Swansea (City of) £1m; Fife Regional Council £1m; Kilmarnock & Loudoun DC £0.5m; Brentwood DC £0.25m; Dudley Metropoltan BC £1m; Islwyn BC £0.5m; Greater Manchester Transport Executive £0.5m.

Accountancy Appointments

Management Information Manager International Banking

London **c£21,000 + car + banking benefits**

A highly attractive managerial vacancy has arisen within the financial control department of a major international clearing bank.

The holder of this senior position will direct and co-ordinate the activities of the customer and product profitability units, as well as an internal work study programme, to ensure effective control of the bank's manpower, productivity and profitability.

Directly responsible to the Management Accounting Manager, you will lead a staff of 20, operating within the framework of sophisticated computer-based management information systems.

Aged 25-35, you will be an ACMA (ideally a graduate) having a strong commercial background with computer training and systems experience.

The remuneration package reflects the considerable importance of this role and includes substantial banking benefits.

Interested candidates should write to Nigel Bates FCA, Executive Division, enclosing a comprehensive c.v., quoting ref 242, at 31 Southampton Row, London WC1B 5HY.

MP
Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney

Group Financial Director

Manchester *to £40,000 + benefits*

This privately owned Group, which is well established and profitable, has a turnover exceeding £80 million and manufactures a wide range of garments and fabrics.

A key responsibility of this new appointment will be to work with other Board members to plan and implement strategies for future growth and profitability.

Candidates must be qualified Accountants, with considerable experience in all aspects of financial management, preferably in a diversified group of manufacturing companies. The ability to deal at a high level with financial institutions is desirable.

Personal qualities must include determination and tact, together with a high degree of commercial awareness and judgement. Candidates of less than 40 are unlikely to have the experience or stature for this demanding position.

Please reply to Jim Shoesmith, in strict confidence, with details of age, career and salary progression, education and qualifications, quoting reference 1425/FT on both envelope and letter.

Deloitte Haskins+Sells
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128 Queen Victoria Street, London EC4P 4JX

Accountancy Personnel

FINANCIAL DIRECTOR (Designate)

Salary in excess of £20,000 + car
London

This is an exceptional career development move for an ambitious Chartered Accountant with a highly tuned sense of commercial awareness. Someone who is happiest when working in a demanding and fast moving environment.

Our client is the Homes Division of a major worldwide Public Construction Company.

Reporting directly to the Managing Director you will form an intricate part of a lean, aggressive and highly professional team. Obviously your responsibilities will include the whole financial spectrum but you will also need the personality and self-confidence for wider responsibilities – such as the acquisition of new companies and in depth involvement with other group companies.

The substantial benefits and relocation package is what you would expect from a major successful company.

Probably aged around 30, the successful applicant would expect to be appointed to the Board within 12 months.

Telephone Marleine Kay, in the strictest confidence on 041-204 0944 or write to her at:-

63/65 Moorgate, London EC2.

COMPUTER AUDIT SPECIALIST

TO £30,000 + Car + Mortgage

An outstanding opportunity exists to assist in the development of transaction recording and information support systems within one of the World's largest banks. Our client is rapidly expanding its wholesale and investment banking operations in the UK. A colossal investment has been made in advanced computer technology, present systems under development will ensure that the bank maintains its leading position throughout the next decade.

The Bank wishes to recruit an exceptional DP professional to manage the computer audit function within a division experiencing massive growth in computer requirements at the leading edge of present technology.

PROFILE REQUIREMENTS

- The successful applicant will probably be working in DP management consultancy in the profession, industry or banking. His or her experience will ensure that they are well acquainted with the latest developments in data security systems and in particular substantiate a keen awareness of file and data base management techniques.
- Programming professionals will report to this position and therefore some programming experience particularly in COBOL is desirable, along with experience of systems design and evaluation.
- Preferred age is 25 to 35. Senior management exposure at the highest level will occur with this position and therefore excellent communicative skills and a pleasant personality are criteria of major importance. The bank only recruits 'high flyers' into this team. The 3 comparable audit managers within the treasury, trading and stockbroking are all under 30 years of age.

Career prospects within the bank are excellent, promotion can be made to virtually any area of the bank's operations. Candidates interested in this challenging role should send a detailed c.v., which will be treated in the strictest confidence to J. Philip-Smith F.C.A., Executive Selection Division.

Additional openings within the Bank will shortly occur in the following areas:

Management Accounting to £18K
International Audit to £20K
HO reporting £20K
Treasury and Cash management marketing £30K

Interested candidates should apply now.

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Top Level Remuneration Consulting

Sibson J&H

Knightsbridge

Sibson/J&H Ltd opened in London on 1st March 1985 and are rapidly developing a *new personnel consulting practice specialising* initially in remuneration.

Sibson have specialised in remuneration consulting in the USA since 1959 and are owned by Johnson & Higgins, themselves a major force in benefits consulting. The UK office is now six strong, lead by Paul Massey. Current openings are for Senior Consultants and also for a Director of the remuneration practice.

- Are you an experienced personnel management consultant specialising in remuneration?
- Do you have consulting experience in executive incentive bonus schemes?
- *How good are you at job evaluation and/or sales force pay?*

Pay and prospects will attract the best in the field.

Further details are available from Christopher West, Courtenay Personnel, quoting ref 1427C.

COURTENAY PERSONNEL LTD.
Management Selection and Personnel Consultants,
11 Maddox Street, London W1R 9LE. Tel: 01-491 4014.

Finance Director French Speaking

Paris *To £35,000 plus Relocation*

An overseas subsidiary of our Client, a major Reinsurance Broker, wishes to appoint a high calibre individual to assume responsibility for the financial, accounting and administrative functions.

You will be either an ACA/ACCA or French equivalent, aged between 27-40 with at least five years post qualification experience in professional and/or commercial environments including the use of computerised, financial and reporting systems. At least 2/3 years should have been spent in a senior financial management position with a reinsurance broker.

Considerable emphasis will be placed on personal qualities, i.e. a mature and strong manager of people with a persuasive nature, able to influence and manage change in an expanding company. You will be expected to take up residence in France, for which a full relocation package is available.

For further details and a confidential discussion please contact Richard Green quoting reference 2953.

60 Mark Lane,
London EC3R 7NE.
Tel: 01-265 0377

db dunlop & badenoch
Recruitment Consultants

Accountant

West London **c.£16,000**

Our client, a major plc, wishes to recruit a qualified Accountant for one of its operating units. His or her job will be to manage a small accounts department, and also to contribute financial advice on policy, performance and profit improvement.

You should be aged 25–35, ICMA, ACA or ACCA qualified, with at least two years post qualification experience, *some of it in a manufacturing environment.* You should be able to supervise the installation of computerised systems soon to be introduced.

In addition to the salary mentioned above, there are the usual benefits associated with a large company.

Confidential Reply Service: Please write with full CV quoting reference 1951/JS on your envelope, listing separately any company to whom you do not wish your details to be sent. CV's will be forwarded directly to our client, who will conduct the interviews. Charles Barker Recruitment Limited, 30 Farringdon Street, London EC4A 4EA.

CHARLES BARKER
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FINANCE DIRECTOR

North West **c£20,000+car**

Our Client is a manufacturer of high performance machinery—90% of which is exported. A radical restructuring of the Company has taken place and a fundamentally new range of products is being introduced. This represents a major opportunity in the market, and turnover is expected to double from the present £15m within 5 years.

The Finance Director, supported by a Treasurer and a Data Processing Manager, is responsible for all financial and secretarial functions. The treasury function is of particular importance, as is the computerised costing and shop floor reporting system.

We are seeking a qualified accountant who will be credible both as an active member of the board and as the Company's representative to outside financial interests in this country and the U.S.A. A background at senior level in the engineering industry is essential, together with evidence of success in both financial and cost control areas. Age is less important than attitude.

Please write with full C.V. and details of current earnings to Michael A Hinds (quoting reference 421) at:

Ashley Recruitment
ASHLEY HOUSE, ASHLEY ROAD, ALTRINCHAM, CHESHIRE WA14 2DW

Chief Accountant

£16–18,000 + Car

Candidates should be fully qualified (ACA/FCA) with several years experience. To be responsible for all aspects of the accounting function and for the efficient day to day running of the accounts department.

A career opportunity with excellent prospects. Applications in the first instance to the *Managing* Director.

Tarex Berger
and Associates Limited
The Glanty, Egham, Surrey TW20 9AH
Telephone Egham (0784) 33711 (10 lines)

Financial Accountant

Haywards Heath **c. £14,000**

Bard is a leading U.S. multinational developer, manufacturer and marketer of health care products having subsidiaries in the U.K., Ireland, Germany, France, Spain and Italy.

Reporting to the European Finance Director you will be responsible for the technical monitoring of the European subsidiaries reporting, preparing consolidated financial reports and commentaries, handling the treasury function and taking an active part in the Group's taxation strategy. Some foreign travel will be involved.

Ideally, the successful applicant will be a qualified Accountant, aged 25 - 32 with about two years post qualification experience with a large professional firm. The position is based at our Haywards Heath Sales/Marketing Office and is regarded as a training post for further development within the Group and would be a good first move into industry.

Please apply in writing with full c.v. to:
J. V. Barnes, Director of Personnel, Bard Europe Limited, Pennywell Industrial Estate, Sunderland, Tyne and Wear, SR4 9EW.

BARD

FINANCIAL CONTROLLER

Age 28–35 **c.£20,000 + car**
MAIDSTONE

Our client is Sandell Perkins plc, a leading Timber and Builders Merchants in the South of England with more than 50 branches and a turnover of £80 million. Rapid expansion over the past few years and planned future *growth and developments have created the opportunity* for this new senior financial post.

The Financial Controller will report to the Financial Director and play an active role in the management team. The responsibilities will include working closely with the Data Processing department on the design and development of sophisticated computerised systems and the provision of financial information to management.

Applications are invited from qualified accountants in the age range 28-35 with relevant accounting and systems experience.

Salary is negotiable to £20,000 plus car and there is an attractive purchase discount scheme. Relocation expenses will be considered if appropriate.

Please send a comprehensive career resumé, including salary history and day-time telephone number, quoting ref: 2270 to W.L. Tait, Executive Selection Division.

Touche Ross & Co.
Hill House 1 Little New Street London EC4A 3TR Tel: 01-353 8011

Accountancy Appointments

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Negotiable around £18,000 + excellent benefits package

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The opening later this year of our brand new Northern Headquarters in Cheadle heralds the beginning of another exciting new era.

The need now is to appoint a talented, experienced Accountant to fill the new and highly influential role of Branch Controller.

To meet our demanding specification you must be able to mix proven leadership skills with outstanding expertise in business control and finance.

You will also be able to demonstrate the ability to achieve change and command respect at all levels and make the most of the exceptional promotion prospects in this highly visible, challenging role.

Your responsibilities will include developing local accounting systems to cover asset and credit management, cost control, budget forecasting, strategic monitoring, advising other executives and management reporting.

Aged at least 28 your ACMA or ACCA qualifications will be backed up with financial and management skills gained through at least five years' experience in a progressive, commercial, customer oriented organisation.

The salary will be negotiable as indicated and there are excellent benefits, including twice-yearly profit sharing, stock purchase scheme, discounted BUPA and life assurance schemes.

To obtain an application form ring 061-941 5106 (24 hour response line).

Alternatively write with a comprehensive c.v. to Debi Wilson-Brown, Personnel Department, Hewlett-Packard Limited, Trafalgar House, Navigation Road, Altrincham, Cheshire WA14 1NU. Telephone: 061-928 6422.

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Financial Controller

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The challenges and opportunities awaiting you in this UK subsidiary of a major US Group will lift your career into a new dimension.

The Group is pre-eminent in a high technology field with products which have a considerable custom-designed content and which serve diverse industries world-wide.

Having already achieved a £14m turnover in 4 years, the UK company forecasts a 3 fold expansion by 1989 and the parent group's confidence is demonstrated by a £9m investment in a new purpose-built factory, incorporating the latest in manufacturing technology, which comes on-stream at the end of the year.

Reporting to the Chief Executive you will control the accounting and MIS functions and have an input into two companies based in Europe.

This appointment calls for:

- **experience in a manufacturing environment with extensive costing and inventory control involvement**
- **familiarity with American reporting methods**
- **ideally, exposure to European and multi-site operations.**

Aged probably 32-40 and qualified, you must be capable of progressing into a general management role in the foreseeable future.

Please forward a comprehensive CV (or telephone for a personal history form) quoting Ref. MD318 to **Dennis Fielding at Macmillan Davies, The Old Vaults, Parliament Square, Hertford, Herts. SG14 1PU. (0992) 552552.**

Macmillan Davies

Macmillan Davies International Search Executive

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WHITBREAD wish to recruit 3 young graduate ACAs who have the DESIRE and ABILITY to SUCCEED in a demanding and fast changing commercial environment.

Young men and women particularly with strong personalities and good communication skills should apply. In return our client can offer REAL JOB SATISFACTION working in a STIMULATING TEAM ENVIRONMENT. PROMOTION prospects are extremely good and will be based directly on the PERFORMANCE of the individual.

Please telephone and send C.V. to:

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Managing Director
Accountancy Appointments Europe
1-3 Mortimer Street
London W1

Tel: 01-580 7695/7739 (direct)
01-637 5277 ext 281/282

Accountancy Appointments Europe

Financial Controller

Excellent package

Edinburgh Area

Following a recent re-organisation of the Scottish-based activities of Ferranti plc, a new company, Ferranti Industrial Electronics Limited has been established with an annual turnover in excess of £60 million. The Company produces communication and control equipment and electronic components *and has subsidiaries with diverse but related activities in Europe and the USA.* The Company, which is self-accounting and profit responsible, wishes to make a new appointment of Financial Controller, who will be responsible to the Managing Director for:

– devolving the present group based systems to establish independent computerised accounting and control functions
– providing a comprehensive management and financial accounting service covering all the business centres
– supplying advice on the most appropriate action to develop an overall and profitable business.

Candidates must be qualified accountants, prepared for some overseas travel, with experience of computer-based accounting and financial control systems gained in a manufacturing environment, where they have made a significant management contribution to the commercial development of a business.

The salary will be excellent, as one would expect for a senior appointment in a top UK company, and the first class benefits include a car, pension and life assurance and generous assistance with necessary relocation expenses.

Please apply in confidence with details of your career, giving a contact telephone number and quoting reference 5595 to: Brian Jones, Executive Selection Division,

Thornton Baker Associates Limited, Brazennose House, Brazennose Street, Manchester M2 5AX.

Interviews will be held throughout the United Kingdom.

CHARTERED ACCOUNTANTS

Recently qualified or with 1-2 years' experience gained in a reputable firm are required for international audit in a prime American bank. Fluency in French and/or Spanish would be a plus, but not essential. Up to £15,500. On promotion to officer status, a car would be provided together with other excellent benefits, incl. mortgage subsidy.

Please telephone:
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01-248 0820
ASB RECRUITMENT
52/54 Carter Lane
London EC4V 5AS

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A truly entrepreneurial accountant (ACA/ACMA/Certified) attuned to and versed in the daily needs of small growing *businesses* is sought to join, at ground level, a team of like minded professionals in an exciting new service concept. Knowledge of computerised systems and tax an advantage. London based. Reply with c.v. and contact number to: The Professional Alliance, 2 Randolph Crescent, London, W9.

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Geboten werden eine der Verantwortlichkeit der Position entsprechende, leistungsgerechte Vergütung einschließlich der am Platz London üblichen Sozialleistungen (betriebliche Altersversorgung, private Krankenversicherung etc.)

Wenn Sie an dieser Position interessiert sind, bitten wir um eine informative Bewerbung an die Commerzbank AG, London Branch, Personnel Department, P. O. Box 286, 10-11 Austin Friars, London EC 2P 2JD, United Kingdom.

Commodities...

Finance & Treasury — To £20-25K plus car

Part of a highly successful international trading group, our client has an annual turnover of over £2 billions.

Recent and envisaged expansion, diversification into other commodities and development of networks at the product origin, has created the need for the appointment of a Chief Financial Accountant, based in London.

Reporting to the Finance Director, the successful candidate will manage a team of 15 people, covering financial accounting, cash and treasury administration. Excellent relationships will need to be forged with the Chief Management Accountant, Senior Traders and divisional accountants.

Candidates should be qualified accountants aged 27 to 45, have a City background with experience of and/or an acute interest in, the international markets of commodities and futures, banking and foreign exchange.

Please send career details, in confidence, to Peter T. Willingham, Executive Selection, quoting reference 53, at Spicer and Pegler Associates, St. Mary Axe House, St. Mary Axe, London EC3A 8BJ.

Spicer and Pegler Associates
Management Services

Financial Controller
Private Healthcare

C. London — **c£16,000**

The opening of a new British independent hospital will create a challenging and unusual opportunity for a qualified accountant aged up to 35 years with previous commercial experience gained in the service sector.

Besides establishing and controlling the accounting function within the hospital, *you will work closely with the Hospital* Director in developing the administrative function. *This will involve liaison* with consultants, patients and staff as well as with the Group's head office.

The reputation of the associated hospitals within the Group reflect the high standards which are maintained in all professional *areas and with further expansion planned* for the near future career prospects are excellent – and will not necessarily be limited to the accounting function.

Contact John P. Sleigh FCCA on 01-405 3499 quoting ref J/66/HF.

Lloyd Management

125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

GROUP CONTROLLER

is required for

INTERNATIONAL SHIPPING COMPANY

The Candidate

We are looking for a qualified Accountant unlikely to be under 35 years old who, apart from being a very competent accounting technician, also has a sympathetic understanding of the business environment, is a good manager of people, an effective communicator with external organisations, i.e. auditors, bankers, joint venture partners and shareholders.

He/she will be able to meet the requirements of a very demanding job and employer. It would also be beneficial, although not essential, for the candidate to have had experience within the shipping industry.

The Company

The company is engaged in the management and operation of five deep-sea container lines serving most parts of the world, has a turnover in excess of $100 million and the December 1984 balance sheets show that all lines were operating profitably.

The group have ambitious plans for further expansion during the next two years.

The Job

The job will be to act as the principle financial person within the division, responsible to the directors (and *chairman*). *It will be necessary to* liaise with the company's bankers, overseas agents, auditors and joint venture partners and in all such negotiations the person appointed will be the principal financial representative.

Within the group the appointed candidate will be a member of a six-person management team, including directors and chairman, who together will determine the future course of the group.

Remuneration

Whilst this will not be a barrier to attracting the right individual, it is envisaged that the total package will be around £35,000.

The job is located in a pleasant part of South-East England close to London.

Applications in strictest confidence to:

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Bromley, Kent — Excellent salary + car

This is a new appointment to the main board of an international shipping, oil and lease finance group with headquarters based at Bromley.

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Candidates should be qualified accountants aged about 30/40 with a solid background in financial management within the commercial *or commercial banking sectors and* have a thorough appreciation of business practice in a trading environment. Experience of the leasing industry will also be required.

Written applications with full C.V. in strict confidence.

R. Russell
Deputy Chairman & Managing Director
TRAMP SHIPPING
and Chartering Limited
Crosby House, 9/13 Elmfield Road,
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Recruitment Advertising

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Financial Controller

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We are looking for a young, qualified accountant with some good post-qualification experience of financial accounting and control, ideally within the framework of an international organisation.

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Please send your curriculum vitae in confidence to:

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Zehntel, Sales and Support
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Central Milton Keynes MK9 2NJ

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Leading a team of highly qualified staff engaged on the appraisal of group companies' performance, ad-hoc financial investigations, acquisitions and disposals, financial planning and group taxation matters.

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Treasury Accountant
to £16,000 p.a.

A qualified accountant or banker with job-related experience ideally with a degree in economics or business studies. Responsibilities will include cash flow management; monitoring and management of foreign exchange exposure; currency dealing and the monitoring of loan and interest payments. You will also assist business groups in assessing funding, borrowing and bonding requirements on new and existing business. Ref. K251/02.

For further details of these key appointments, please telephone, or write to: the Recruitment Executive, quoting the appropriate reference number.

IAL Financial Services
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Wiggins Teape Group Limited
PO Box 88, Gateway House, Basingstoke, Hampshire RG21 2EE.
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Commercial Manager

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A challenging role exists for a Commercial Manager to lead a professional team responsible for the preparation of cost proposals, the negotiation of contracts and budgetary reporting and control.

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We offer a highly competitive salary, supported by a comprehensive benefits package.

Applications should be addressed to Mike Fenning, CRS 384, Lockyer, Bradshaw & Wilson Limited, 178 North Gower Street, London NW1 2NB.

Indicate, in a cover note, any companies who should not receive your application.

LBW
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International Fund Management
Singapore £35,000+

Wardley Limited, the merchant banking arm of the HongkongBank Group has an established investment management division in Singapore servicing institutional clients and high net worth individuals which complements the investment management capabilities of Wardley Investment Services Limited and its associates in the USA, Hong Kong, the UK and Australia. An experienced fund manager is sought to head up a small team managing domestic and international portfolios. The successful candidate will have full responsibility for the investment of funds under management in Singapore and will contribute to the marketing of the Group's discretionary portfolio management services.

Candidates for this new role will have a minimum of 5 years' international investment management experience with an equity bias. Specific Far East stock experience would be an advantage but is not essential. Candidates should have the confidence to work with a good degree of autonomy, enjoy client contact and possess the skills and personality to work in a small group and develop and train a young and enthusiastic team of fund managers.

Prospects for the growth of the Singapore operation are very good and the appointed candidate can expect to have full responsibility for its performance and continuing development within around twelve months.

Commencing salary is expected to be in excess of £35,000 per annum together with full expatriate benefits including free furnished accommodation, education allowances, leave passage allowance, motor car and subsidised mortgage.

Please reply with full career details to:
P A Coulson, Wardley Group Recruitment Manager
Wardley London Limited, 7 Devonshire Square, London EC2M 4HN.

member: HongkongBank *group*

ASSISTANT MANAGER ACCOUNTS £15-16K

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Progress to Marketing Lending Officer within 18 months! Ideally American Bank trained with proven linguistic ability (Spanish preferred) and 4+ years Credit Analyst experience.

For full details telephone:
Stephanie Orr
ALEXIS PERSONNEL (AGY)
01-439 2777

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London EC2V 6BT
Tel: 01-606 7020

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Telephone 01-486 7581

TREASURY Dealing Staff

We are seeking to recruit one or two high calibre dealing staff for our small central Treasury team in order to handle the increasing volume of activity arising mainly from our international expansion.

Candidates should have sound sterling or foreign exchange experience gained in a City bank or another corporate treasury, as well as the confidence and maturity to deal with a wide range of banking relationships.

Remuneration and other benefits will reflect the importance of the Treasury operation and the age and experience of successful candidates.

Applicants should write in confidence, enclosing a full curriculum vitae, to the Group Treasurer, Grand Metropolitan PLC, 11/12 Hanover Square, London W1A 1DP.

GRAND METROPOLITAN

INSTITUTIONAL EQUITY RESEARCH SALESPERSON

Mabon Nugent is looking to establish an equity sales effort from our London Office to service institutional clients throughout Europe with high quality equity research.

We would be pleased to discuss opportunities with experienced Equity Research Salespersons, the week of May 5. Please contact Mr. Thomas Roeder at 01-236-1599.

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London EC4N 1SP
England
01-236-1599

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with good experience in the spot market

The ideal candidate should be aged between 25 and 35 and capable of stimulating a dealing team. Salary negotiable *according to experience*

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Personnel Department
Rue du Fossé-aux-Loups 48
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COMMODITIES – INVESTMENT SERVICES

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Please send a comprehensive c.v. or telephone Michael Hutchings.
Jonathan Wren & Co Ltd, 170 Bishopsgate, London EC2M 4LX
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If you are an Inspector of Taxes or are a qualified Accountant and have gained in-depth knowledge of the UK tax implications for the resident abroad, we can offer a more challenging and certainly a more rewarding outlet for your hard-earned expertise.

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Tell us about yourself by writing, (quoting Ref. 335 FT), with a full CV to Hilary Gane, Whites Bull Holmes Ltd, 63-66 St Martin's Lane, London WC2N 4JX.

FINEXCO

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International Investments

Middle East — *High tax free salary*

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Reporting to the Director, Investment Accounts, and controlling the activities of an accounting section, your key responsibility will be to examine accounting and operational requirements with particular emphasis on computerised accounting and management information systems development. Investments are of multi-currency nature with a wide geographical coverage.

Candidates should be qualified (ACA, ACCA, CPA) and have at least seven years' post-qualification experience with a *financial institution* actively involved in international investments. Experience in developing, implementing and managing integrated investment accounting systems is essential together with a thorough knowledge of computerised management information systems. Well-developed analytical skills, an out-going personality and self-motivation are pre-requisites for this positive role.

Rewards will be commensurate with the responsibility and seniority of the job and the calibre of candidate our client expects. The attractive tax free salary will be accompanied by a full range of expatriate benefits in line with our client's international standing.

Candidates should write in strictest confidence enclosing a full cv and quoting MCS/2006 to Milton Ives,
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Frankfurt

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Member Institutional Sales Group

Applicants should have previous experience in the coverage of the German market for a selected group of institutional clients, have a good command of the German language and enjoy working in a team of highly-qualified specialists with regional client responsibility.

Investment Strategist European Capital Markets

Candidates for this position should have several years of professional experience as an investment strategist and possess an analytical background. The main responsibility will be for the development and realisation of an investment strategy for the European markets in the context of an overall international investment strategy.

All positions offer excellent chances for advancement and a remuneration package well in-line with the expected qualifications and experience.

Please send a detailed Curriculum Vitae in the first instance to:
***Ms Laila Rafique**, Associate Director, **Jonathan Wren International Ltd.**,*
170 Bishopsgate, London EC2M 4LX, tel: 01-623 1266,
telex: 8954673 WRENCO.

London, Sydney

Jonathan Wren International Ltd
Banking Consultants

Saudi Arabia

Lending Officer

US$40 – 45,000

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Candidates must be graduates or have equivalent professional qualifications. They should have at least 5 years' experience in project finance, corporate or merchant banking, or a related financial background, ideally with a development agency or merchant bank, and should preferably have undergone a recognised credit training programme.

They must be able to make clear, well-supported recommendations, often working within tight time constraints, and must have the energy and self-motivation to achieve timely output under demanding circumstances.

Candidates must be totally fluent in written and spoken English; knowledge of Arabic is an advantage.

In addition to the basic salary paid free of tax in Saudi Arabia, an excellent, comprehensive benefits package is offered including free housing and utilities – leased car – free medical services – end-of-contract and performance bonuses – generous leave and leave allowance provisions – children's education allowances – first class recreational facilities.

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SECTION III – INTERNATIONAL MARKETS

FINANCIAL TIMES

Thursday May 2 1985

Lloyds perpetual floater counts as primary capital, Page 50

WALL STREET

Corporate profits are a worry

LEADING STOCKS fell sharply on Wall Street yesterday as continuing nervousness over corporate profits brought renewed selling by the institutions, *writes Terry Byland in New York.*

Stocks closed at their lowest levels since the current bull phase developed in the middle of January. Selling towards the close of the market featured IBM and motor stocks.

By contrast, the bond market responded, with gains of a full point, to the latest indications that the U.S. economy is slowing down, brushing aside the problems it will face next week when the record $20.5bn Treasury funding must be taken on board.

At midsession, the stock market was still treading water around overnight levels, but institutional selling programmes were activated later, driving the Dow Jones industrial average down by 10 points.

Selling intensified in the final half hour of trading, and the Dow average ended with a net fall of 16.01 points at 1,242.05, its lowest level since January 18 and the largest one-day fall since mid-November.

At 3.15pm, the Federal Reserve announced that it would arrange both overnight and four-day system repurchases today.

Wall Street's views on the outlook for financial securities remained divided. The long end of the bond market was signalling expectation that the slowing economy will bring lower rates, perhaps with the help of an easing of Federal Reserve credit policies.

In the stock market, investors are worried about the dismal trend of corporate profits, which may continue into the second quarter if the economy remains sluggish. However, lower interest rates could mean a short-term boost for stock prices.

The dilemma of investors was mirrored when R. Meeder, a money management group firm admired for its market timing, confirmed that it had this week switched $300m out of stocks and into Treasury bills and similar money market instruments.

The poorest sector, again, was tobaccos, still hard hit by the prospect of the pending legal attempts to pin responsibility for cancer deaths on the major manufacturers. Heavy trading in Philip Morris, the largest U.S. cigarette producer with its Marlboro, Virginia Slim and other brands holding 35 per cent of the domestic market, drove the shares down $1⅛ to $84. The stock has fallen by 10 per cent this week, as first the investment press and then Wall Street analysts focused on the legal minefields ahead.

R.J. Reynolds, the other major cigarette maker, tumbled a further $3⅞ to $73⅞. On the American Stock Exchange, the ADRs of BATs, the British Tobacco group, were hit by a 2.6m share block sale at $3⅝, which was $⅛ below the overnight price. BATs, unsettled also by sluggish sales at its New York retailing divisions, has shed $⅛ in the past month.

IBM, hit by sellers in the final hour, closed $1⅛ down at $125¾. Honeywell added $⅛ to $55⅝, but Burroughs fell by $⅞ to $59⅝.

General Dynamics rebounded smartly from recent weakness, putting on $2⅛ to $68⅞. United Airlines recouped $⅝ to $40⅝ and Pan American was unchanged at $5.

Another heavy trading session in Atlantic Richfield saw the stock $4⅝ better at $63⅞. Standard Ohio added $1⅛ to $50 while Exxon was $⅝ up at $51⅞.

A new entrant to the speculative takeover league was Houston Natural Gas, which bounded up $11⅜ to $58⅞ on hints that InterNorth might be interested. InterNorth, itself believed to be under threat from Mr Irwin Jacobs, fell $2⅛ to $51⅞.

CBS improved by $⅞ to $108 after Mr William Paley, founder and former chairman of the news network, described it as "strong and healthy" and viewed the takeover attempt as a "tragedy." Unocal dipped $⅝ to $46, and Crown Zellerbach at $41⅞ shed $⅝.

The long end of the bond market extended its early gains to show net rises of about three quarters of a point. Gains were smaller at the short end of the range and money market rates dipped by only about five basis points. The mystery of the Fed's credit policies continued, with the Fed announcing overnight system repurchases when federal funds traded at 8 11/16 per cent.

TOKYO

Speculators provide the impetus

A MODERATELY higher trend was established in Tokyo yesterday, but investor activity was slow due mainly to Wall Street's continued slide, *writes Shigeo Nishiwaki of Jiji Press.*

Volume swelled, reflecting brokerage houses' stepped-up business activity with the start of the new month.

The Nikkei-Dow market average gained 30.36 to 12,456.65 on volume of 407.58m shares compared with the previous day's 243.56m. Advances outran declines by 438 to 322, with 139 issues unchanged.

On the trading floor, speculative funds poured into low and medium-priced incentive-backed stocks, as was the case the previous day.

Nippon Yakin Kogyo topped the active stock list for the second consecutive session, with 19.07m shares changing hands. The issue gained Y11 at one stage but came under profit-taking pressure later to close the day Y2 lower at Y408.

Toyo Soda, the second most active stock with 16.12m shares traded, rose Y9 to Y384, mirroring investor expectations over sweetener new product and expansion moves.

Kirin Brewery was the third busiest issue with 13.40m shares, rising Y13 to Y860. The reported development of a new brewing process, using an immobilized enzyme, fuelled investor interest.

Miyaji Iron Works continued to attract strong buying interest, soaring Y78 to Y408. It was the fourth most active stock with 9.91m shares.

Biotechnology-related stocks fared well, with Sanraku adding Y60 to Y1,110, Kuraray Y42 to Y1,010, Kaken Pharmaceutical Y140 to Y2,910 and Mochida Pharmaceutical Y180 to Y10,490.

Shimadzu drew speculative interest and moved erratically but closed Y9 lower at Y770. Minolta fell Y13 to Y865.

Nitto Flour Milling scored a daily limit gain of Y80 to Y414 on market rumours of a newly developed food production technique using biotechnology.

Explaining the market movements, one securities company said that speculators hunted low and medium-priced stocks for very short-term capital gains, and other investors joined in.

Bond prices rose, but trading was inactive in the absence of institutional investors, a result of public holidays. Some securities companies bought in an attempt to push up bond prices for smooth absorption of long-term government bonds to be newly issued in May.

The yield on the benchmark 7.3 per cent government bonds maturing in December 1993 declined to 6.585 per cent from 6.605 per cent on the previous day.

HONG KONG

PROFIT-TAKING left Hong Kong mixed to lower although gains were seen among some selected stocks.

Swire Pacific continued to find favour, buoyed by its recent office building sale, and ended 20 cents ahead at HK$24.20. Hutchison Whampoa was another of the few stocks to rise, adding 20 cents to HK$23.20.

Property issues, which led Tuesday's advances, succumbed to selling and most ended lower. Both Cheung Kong and Sun Hung Kai lost 10 cents to HK$16.20 and HK$11.10 respectively.

Most other blue chips slipped, with Jardine Matheson, which continued to suffer on rumours of a takeover bid, finishing down 40 cents at HK$11.60.

AMSTERDAM

Advance to record territory

CORPORATE NEWS underpinned an advance that enabled Amsterdam to pick up from an easier opening.

The ANP-CBS general index added 0.5 to match its all-time record of 211.0, set on April 26. The banking and insurance indices were also at highs for the year.

Markets were closed yesterday in Belgium, France, Italy, Singapore, Spain, Sweden, Switzerland and West Germany.

Insurer Aegon was actively traded, finding heavy demand from domestic investors. It rose Fl 6.50 to Fl 186.50 still benefitting from Monday's forecast of good results for 1985 and its planned share issue in the U.S.

Natned shed 80 cents to Fl 67.70 ahead of publication of its annual report after the bourse had closed.

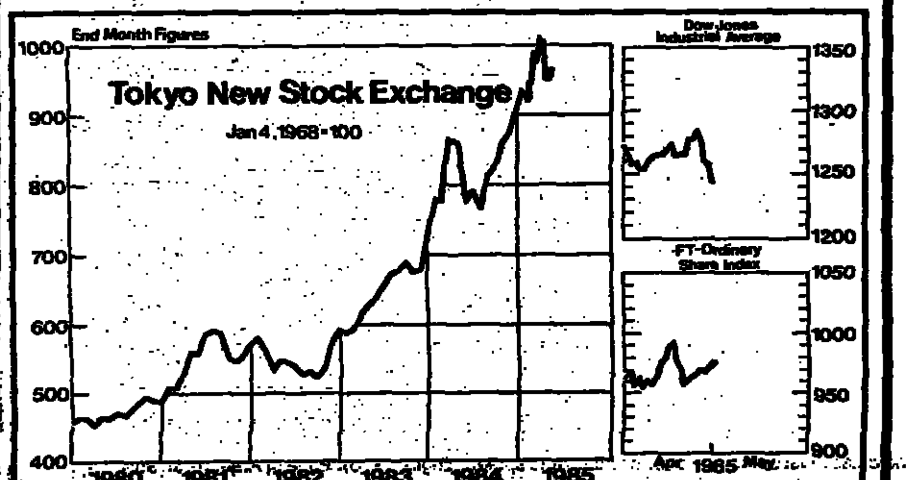
Banks saw ABN Fl 5.50 ahead at Fl 435 on higher first-quarter results. NMB gained 70 cents to Fl 171.70.

Among the major companies, Hoogovens was Fl 1 ahead at Fl 61.70 on high expectations for its annual report later this week. Royal Dutch fell Fl 1 to Fl 207.30.

Retailer Ahold put on Fl 1.20 to Fl 227.70 as it announced higher turnover during the first 16 weeks of the year.

Meanwhile, the bourse reported that turnover of shares and bonds during April fell to Fl 14.3bn from Fl 16.8bn in March.

KEY MARKET MONITORS



STOCK MARKET INDICES

NEW YORK	May 1	Previous	Year ago
DJ Industrials	1,242.05	1,258.06	1,183.00
DJ Transport	571.06	573.74	510.49
DJ Utilities	153.01	153.62	126.01
S&P Composite	178.37	179.83	161.68
LONDON			
FT Ord	978.4	971.4	919.4
FT-SE 100	1,301.5	1,291.0	1,137.2
FT-A All-share	626.60	622.11	536.12
FT-A 500	688.25	682.67	585.24
FT Gold mines	*487.1*	*501.3*	*568.0*
FT-A Long gilt	10.60	10.57	10.32
TOKYO			
Nikkei-Dow	12,456.65	12,426.29	11,019.1
Tokyo SE	968.72	967.28	862.37
AUSTRALIA			
All Ord.	873.9	875.2	755.6
Metals & Mins.	559.1	568.2	532.3
AUSTRIA			
Credit Aktien	closed	81.28	55.16
BELGIUM			
Belgian SE	closed	2,219.54	–
CANADA			
Toronto			
Metals & Minls	1,980.6	2,010.6	2,104.0
Composite	2,626.3	2,695.3	2,342.2
Montreal			
Portfolio	129.32	130.08	114.2
DENMARK			
Copenhagen SE	187.89	186.79	198.53
FRANCE			
CAC Gen	closed	215.4	178.2
Ind. Tendance	closed	117.4	93.7
WEST GERMANY			
FAZ-Aktien	closed	420.96	353.65
Commerzbank	closed	1,226.1	1,032.1
HONG KONG			
Hang Seng	1,516.73	1,520.56	1,034.73
ITALY			
Banca Comm.	closed	281.51	215.6
NETHERLANDS			
ANP-CBS Gen	211.0	210.5	159.9
ANP-CBS Ind	171.2	169.9	127.8
NORWAY			
Oslo SE	closed	325.69	288.86
SINGAPORE			
Straits Times	closed	791.81	993.91
SOUTH AFRICA			
JSE Golds	–	1,066.6	964.2
JSE Industrials	–	896.2	983.0
SPAIN			
Madrid SE	closed	109.02	82.77
SWEDEN			
J & P	closed	1,441.06	1,510.15
SWITZERLAND			
Swiss Bank Ind	closed	424.2	378.0
WORLD	Apr 30	Prev	Year ago
Capital Int'l	202.2	202.3	188.5

GOLD (per ounce)

	May 1	Prev
London	$311.75	$321.00
Zürich	closed	$321.50
Paris (fixing)	closed	$325.07
Luxembourg	closed	$324.65
New York (June)	$315.30	$316.50

* *Latest available figure*

CURRENCIES

	U.S. DOLLAR		STERLING	
(London)	May 1	Previous	May 1	Previous
$	–	–	1.2235	1.2425
DM	3.1475	3.0975	3.85	3.8525
Yen	252.75	251.5	309.0	312.75
FFr	9.59	9.44	11.71	11.715
SwFr	2.6375	2.5975	3.23	3.23
Guilder	3.557	3.5	4.35	4.35
Lira	2,005.5	1,983.5	2,450.0	2,466.5
BFr	63.3	62.3	77.4	77.45
C$	1.3685	1.36625	1.6735	1.696

INTEREST RATES

	May 1	Prev
Euro-currencies (3-month offered rate)		
£	12¾	12¾
SwFr	5 5/16	5¼
DM	5⅞	5 15/16
FFr	10⅝	10 9/16
FT London Interbank fixing (offered rate)		
3-month U.S.$	8¾	8 15/16
6-month U.S.$	9⅛	9⅛
U.S. Fed Funds	8⅞	8½
U.S. 3-month CDs	8.25	8.35
U.S. 3-month T-bills	7.77	7.83

U.S BONDS

Treasury		May 1* Price	May 1* Yield	Prev Price	Prev Yield
9¾	1987	99 27/32	9.837	99 25/32	9.87
11¾	1992	102 22/32	11.174	102 5/32	11.29
11¼	1995	99 29/32	11.297	99 9/32	11.41
11¼	2015	98 27/32	11.401	98 5/32	11.47

Corporate	May 1* Price	May 1* Yield	Prev Price	Prev Yield
AT & T				
10⅜ June 1990	96⅞	11.20	95⅞	11.20
3⅞ July 1990	77½	9.50	77½	9.50
8¾ May 2000	77⅞	11.95	77⅞	11.95
Xerox				
10⅞ March 1993	93.589	11.90	93.589	11.90
Diamond Shamrock				
10⅝ May 1993	92⅝	12.10	92⅝	12.10
Federated Dept Stores				
10⅜ May 2013	88.253	12.10	88.253	12.10
Abbot Lab				
11.80 Feb 2013	97.186	12.15	97.186	12.15
Alcoa				
12¼ Dec 2012	97.295	12.60	97.295	12.60

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
June	71–06	71–11	70–21	70–24
U.S. Treasury Bills (IMM) $1m points of 100%				
June	92.07	92.10	91.98	92.01
Certificates of Deposit (IMM) $1m points of 100%				
June	91.54	91.56	91.39	91.43
LONDON				
Three-month Eurodollar $1m points of 100%				
June	91.14	91.15	90.99	91.07
20-year Notional Gilt £50,000 32nds of 100%				
June	106–09	106–14	106–06	106–15

COMMODITIES

(London)	May 1	Prev
Silver (spot fixing)	498.80p	508.00p
Copper (cash)	£1,204.00	£1,222.00
Coffee (May)	£2,095.50	£2,106.00
Oil (spot Arabian light)	$27.275	$28.35

LONDON

Growing mood of optimism

INVESTORS in London gave a more explicit vote of confidence to the CBI quarterly survey, which outlined expanding manufacturing output and orders together with a more cheerful outlook for unemployment.

A generally more optimistic equity market also derived support from the NatWest chairman's comment that interest rates may well ease in coming months.

Consumer-oriented issues led the upward trend, and many blue chips moved higher, enabling the FT Ordinary share index to close up 7 at 978.4.

However, gilt-edged stocks drifted easier with the pound. Better U.S. bond values, after Tuesday's release of data consistent with recent evidence of a marked slowdown in economic growth, failed to arouse investors.

Many in the market felt that gilts lacked scope for improvement because some UK institutions had earmarked funds for British Telecom, the call on which is due next month, and for British Aerospace.

Chief price changes, Page 42; Details, Page 43; Share information service, Pages 44-45

AUSTRALIA

AN EASIER TONE emerged in late Sydney trading after activity in BHP had taken prices higher early in the session. The All Ordinaries index slipped 1.3 to 873.5.

Interest in BHP continued for the second consecutive session, fired by speculative reports that entrepreneur Robert Holmes à Court could try to buy a 19.9 per cent stake in the group. Mr Holmes à Court mounted a takeover bid for BHP two years ago. The issue put on 10 cents to A$6.36 ex-all.

There were also rumours that Mr Holmes à Court may make a bid for MIM, which traded heavily to end 8 cents lower at A$3.40. MIM reported a heavy loss for the nine months to March 31.

New Corp remained unchanged at A$7.50 ex-scrip. It announced plans to build a hotel and media complex in China.

SOUTH AFRICA

A FALL in the price of bullion hit gold issues in Johannesburg, and losses quickly spread across the board into other minings sectors.

Vaal Reefs, still suffering from heavy production losses at its mine after strikes by black workers, slipped R4 to R184.50. Hartebeestfontein, which has also been affected by disputes, shed 30 cents to R11.20.

In other mining stocks, diamond share De Beers was 7 cents easier at R10.25, and Rustenburg Platinum lost 10 cents to R17.

CANADA

TORONTO stocks remained mixed with industrials providing the best gains and gold shares suffering from losses.

Woodward's class A, resuming after a stock halt for news that Cadillac Fairview Corp will bid C$16.50 a share for the company, rose C$4⅜ to C$16.

International Thomson put on C$⅛ to C$8⅞, Dome Petroleum was unchanged at C$3.35, while Canadian Pacific lost C$⅛ to C$59⅞.

In gold issues, Lac Minerals was C$1 lower at C$33⅞, and Campbell Red Lake shed C$⅝ to C$27⅞.

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
23½	16	AAR	.48	2.8	13	5	17	17	17	+¼
19¼	9⅝	AGS			12	84	13¾	13½	13¾	+¼
18⅛	9⅝	AMCA				43	11	10⅝	10⅞	
21½	13¾	AMF	.50	2.6	55	591	19⅜	19⅛	19⅛	
43¼	24¼	AMR			9	3501	40⅛	39¼	39¼	−⅜
21⅜	18⅝	AMR pf2.18		10		13	21¼	21⅛	21¼	+⅛
23	19	ANR pf2.12		10		201	20⅝	20⅛	20⅝	
14¼	8	APL			35	36	8⅛	8	8	−⅛
65½	44⅝	ASA	2	4.0		543	50⅝	49⅝	50¼	−⅛
27	14⅝	AVX	.32	2.2	12	179	14⅞	14⅝	14¾	−⅛
24⅞	14½	AZP	2.72	12	7	x1088	23⅞	23¼	23¼	−¼
54	36¾	AbtLab 1.40		2.8	14	1080	51	50	50	−1
25⅞	17	AccoWd .44		1.9	18	109	23⅜	23	23	−¼
22	12½	AcmeC .40		2.8		34	15	14½	14½	
10½	8¼	AcmeE .32b		3.7	11	2	8⅞	8¾	8¾	−⅛
17⅝	15	AdaEx 1.92e		11.		108	16⅞	16⅝	16¾	+¼
20	11⅞	AdmMl .32		2.2	6	14	14⅝	14	14¼	
19½	8⅝	AdvSys .53t		5.6	15	101	9¾	9½	9½	
41⅛	25⅞	AMD			12	5804	28⅛	26⅝	26¾	−1¼
12¾	6⅞	Advest .12		1.4		106	8⅝	8⅜	8⅜	
14⅝	8¾	Aeflex			11	62	12⅜	12⅛	12⅜	+¼
43⅝	27¼	AetnLf 2.64		6.3	31	2315	42¾	42⅛	42⅛	−¼
56¾	52⅜	AetL pf5.83e		11.		10	55⅜	55⅜	55⅜	
35	15¾	Ahmns 1.20		3.7	13	175	32⅞	32⅝	32¾	−⅛
4⅛	2½	Aileen			21	1	2¾	2¾	2¾	
51	36⅝	AirPrd 1.20		2.5	11	320	48⅝	48⅛	48⅝	−⅜
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 41

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 42

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 40

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

Continued on Page 41

WORLD STOCK MARKETS

AUSTRIA

Apr. 30	Price Sch%	+ or —
Creditanstalt	308	+5
Goesser	480	+4
Interunfall	764	+1
Laenderbank	304	+1
Perlmooser	455	+18
Steyr-Daimler	166	+3
Veitscher Mag	424	+13

BELGIUM/LUXEMBOURG

Apr. 30	Price Frs.	+ or —
B.B.L.	1,900	......
Banq. Int. A. Lux	6,150	......
Bekaert B	6,710	......
Ciment CBR	2,370	—30
Cockerill	231	+1
Delhaize	7,900	—100
EBES	3,075	—10
Electrobel	8,500	+60
Fabrique Nat	1,935	—5
GB Inno BM	3,505	+15
GBL (Brux)	1,930	......
Gevaert	3,800	—20
Hoboken	6,460	—50
Intercom	2,175	......
Kredietbank	8,200	—130
Pan Hldgs.	11,100	......
Petrofina	6,800	—10
Royale Belge	12,100	......
Soc. Gen. Banq	3,030	—30
Soc. Gen. Belge	1,875	—10
Sofina	7,150	......
Solvay	4,200	—40
Stanwick Intl.	1,570	—10
Tractionel	3,920	—20
UCB	5,100	+40
Wagon Lits	3,050	—20

DENMARK

May 1	Price Knr %	+ or —
Andelsbanken	295	+5
Baltic Skand	545	+5
CopHandelsbank	310	+1
D. Sukkerfab	540	......
Danske Bank	304	+3
De Danske Luft	1,195	......
East Asiatic	211	+7
Forenede Brygg.	990	+20
Forenede Damp.	134	+3
GNT Hldg	425	......
I.S.S.B.	500	+10
Jyske Band	615	......
Novo Ind	1,465	+25
Privatbanken	264	+2
Provinsbanken	332	+4
Smidth (F)	249	+2
Sophus Berend	1,035	......
Superfos	447	+6

FRANCE

Apr. 30	Price Frs.	+ or —
Emprunt 4½% 1975	1729	+4
Emprunt 7% 1973	8395	+40
Accor	276	—0.5
Air Liquid	615	—1
BIC	520	......
Bongrain	1,875	+39
Bouygues	694	—1
BSN Gervais	2,495	+45
CIT-Alcatel	1,295	—25
Carrefour	2,130	—17
Club Mediter'n	1,143	......
Cie Bancaire	641	+7
Cofimeg	288	—3
Damart	2,280	+42
Darty	1,308	+38
Dumex S.A.	611	—2
Eaux (Cie Gen)	629	......
Elf-Aquitane	236.5	+2
Essilor	3,045	+50
Gen. Occidentale	689	+6
Imetal	116	+6
Lafarge Coppee	516	—4
L'Oreal	2,402	+9
Legrand	2,040	+29
Maisons Phenix	208	......
Matra S.A.	1,885	—30
Michelin B	933	—1
Midi (Cie)	2,228	+18
Moet-Hennessy	1,875	—1
Moulinex	104	+1
Nord Est	89	+0.6
Penod Ricard	705	+1
Perrier	506	—5
Petroles Fra.	265.8	+1.8
Peugeot S.A.	346	+6
Printempt.Aus	232	+7
Radiotech	285.5	—2.5
Redote	1,370	......
Rousul-Uclaf	1,765	+20
Sefimeg	350	+1
SkisRossignol	1,810	—70
Telemech Elect.	2,545	+5
Thomson CSF	544	—6
Valeo	250	—0.1

GERMANY

Apr. 30	Price Dm.	+ or —
AEG-Telef	109	—2
Allianz Vers	1175xr	—4
BASF	202.8	—3.2
Bayer	213.5	—2
Bayer-Hypo	346	—1
Bayer-Verein	340.5	+0.5
BHF-Bank	276	—3
BMW	359.5	—4
Brown Boveri	207	—3
Commerzbank	169.2	—0.8
Cont'l. Gummi	133	—1.9
Daimler-Benz.	675	—4
Degussa	351.5	—0.5
D'sche Babcock	162.5	—0.7
Deutsche Bank	470	—4
Dresdner Bank	212	—0.3
GHH	153	—1
Hochtief	478	+3
Hoechst	212.7	—2.3
Hoesch Werke	107.7	—1.1
Holzmann (P)	434	+1
Horten	170	......
Hussel	291.5	......
Karstadt	226	—1.5
Kaufhof	218.5	—0.5
KHD	250xr	—1.5
Kloeckner	71.5	—0.1
Linde	425.5	—1.5
Lufthansa	184	—1.5
MAN	155.1	2.4
Mannesmann	159	—2
Mercedes Hld.	599	—6.5
Metallgesel	250	—5.5
Munech Rueck	1,350	+10
Nixdorf	581.1	—9.4
Porsche	1186xd	—9
Preussag	270	—1
Rhein West Elect	156.8	......
Rosenthal	257	+4
Schering	445	—2
Siemens	555.4xd	—6.6
Thyssen	96	—1
Varta	176.5	—3.5
Veba	182	—1
V.E.W.	127	—0.8
Verein-West	310	......
Volkswagen	205.5	+2

ITALY

Apr. 30	Price Lira	+ or —
Banco Com'le	16,910	+100
Bastogi-IRBS	195	+4
B.I-Invest	3,460	—20
Centrale	3,125	+15
Credito Varesino	3,905	—35
Fiat	2,996	+26
Finsider	62	+4
Generali Assicur.	44,500	+100
Italcementi	86,500	+1,700
La Rinascenti	669.5	—1
Montedison	1,628	+43
Olivetti	6,270	—28
Pirelli Co.	3,810	—20
Perelli Spa	2,268	+33
Snia BPD	2,810	+10
Toro Assic.	14,300	+20
do Pref	10,400	+50

NETHERLANDS

May 1	Price Fls	+ or —
ACF Holding	203	......
AEGON	186.5	+6.5
Ahold	227.7	+1.2
AKZO	112.7	—0.1
ABN	435	+5.5
AMEV	240	......
AMRO	75	+0.4
Bredero Cert	179	+2
Bos Kalis Westm.	20.1	+2.2
Buehrmann-Tet.	91.5	+0.5
Calland Hldgs.	38.3	+0.2
Dordtsche Pet'm	187.5	—0.5
Elsevier NDU	118.7	+0.7
Fokker	119.9	+4.9
Gist Broades	188.7	+0.2
Heineken	153.6	+0.2
Hoogovens	61.7	+1
Int Mueller	51.8	—0.3
KLM	58.7	—0.9
Naarden	52	—1
Nat Ned Celt	67.7	—0.8
Ned M'd Bank	171.7	+0.7
Nedlloyd	174.3	—1.7
Oce Grinten	326	+1.2
Ommeren (Van)	29.9	......
Pakhoed	65.6	—1
Philips	57.1	+0.2
Robeco	72.8	—0.2
Rodamco	139.5	+1.1
Rolince	67.9	—0.2
Rorento	45.2	+0.6
Royal Dutch	207.3	—1
Unilever	350.8	+1.1
VMF Stork	162.5	+2.7
VNU	213	—3.5
West Utr Bank	101	—1.6

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. ‡ Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

NORWAY

Apr. 30	Price Kroner	+ or —
Bergens Bank	146	+2.5
Borregaard	383	—7
Christiania Bank	141	—1
DenNorske Cred	150	—0.5
Elkem	139.5	—9.5
Kvaerner	171	+1
Norsk Data	400	......
Norsk Hydro	116	—1
Storebrand	257	—1

SPAIN

Apr. 30	Price Pta%	+ or —
Bco Bilbao	336	......
Bco Central	320	+2
Bco Exterior	200	......
Bco Hispano	164	......
Bco Popular	356	+3
Bco Santander	363	+1
Dragados	170	—1
Hidrola	82	+1
Iberduero	94	+0.8
Petroleos	157.2	+4.7
Telefonica	119	—1

SWEDEN

Apr. 30	Price Kronor	+ or —
AGA	420	......
Alfa-Laval	197	+1
ASEA (Free)	355	......
Astra (Free)	420	+12
Atlas Copco	116	—2
Cardo (Free)	257	......
Cellulosa	122	—1
Electrolux B	315	—4
Ericsson	283	—7
Esselte	365	......
Mo och Domsjo	247	+2
Pharmacia	192	—3
Saab Scania Free	455	......
Sandvik	400	......
Skandia	339	—4
Skan Enski'da	47.5	—0.5
SKF	221	—1
St Kopparbergs	153	+6
Sven Handlesbn.	162	......
Swelvosh Match	215	—2
Volvo B (Free)	265	—6

SWITZERLAND

Apr. 30	Price Frs.	+ or —
Alusuisse	830	+5
Bank Leu	3,590	+15
Brown Boveri	1,630	—10
Ciba Geigy	3,025	—50
do. (Part Certs)	2,360	—20
Credit Suisse	2,430	—10
Elektrowatt	2,845	+35
Fisher (Geo.)	760	......
Hoff-Roche PtCts	83,750	—250
Hoff-Roche 1/10	8,375	—50
Jacobs Suchard	6,360	+60
Jelmoli	1,980	......
Landis & Gyr	1,645	—5
Nestle	6,550	......
Oer-Buehrle	1,435	+20
Pirelli	303	......
Sandoz (Br)	7,800	—50
Sandoz (PtCts)	1,385	—5
Schindler (PtCts)	765	......
Sika	1,140	......
Surveillance	4,250	+10
Swissair	1,050	......
Swiss Bank	389	—4
Swiss Reinsce	10,750	......
Swiss Volksbk	1,470	—10
Union Bank	3,695	—15
Winterthur	4,000	......
Zurich Ins.	25,100	+600

AUSTRALIA

May. 1	Price Aust $	+ or —
ANZ Group	4.7	......
Alliance Oil Dev.	1.07	......
Ampol Pet	1.82	......
Ashton	0.88	—0.02
Aust. Cons. Ind.	2.12	+0.02
Aust. Guarantee	2.46	+0.01
Aust. Nat. Inds	2.7	—0.06
APM	2.72	+0.07
Bell Group	7	......
Bell Res.	7.26	+0.06
Bond Corp Hldgs	1.57	—0.02
Boral	3.32	+0.08
Bougainville	2.15	—0.07
Brambles Inds	2.5	......
Bridge Oil	2.58	—0.08
B.H. Prop	6.36xa	+0.1
CRA	6.6	—0.02
CSR	2.95	—0.06
CastlemaineTys.	5.0	......
Coles (G.J.)	3.8	......
Comalco "A"	2.35	......
Consolidated Pet	0.43	......
Costain Aust.	1.75	......
Dunlop Olympic	2.12	......
Elders IXL	3.1	+0.56
Energ Res.	1.45	—0.30

AUSTRALIA (continued)

May 1	Price Aust.$	+ or —
Gen. Pro. Trust	2.25	+0.02
Hardie (James)	3.17	—0.01
Hartogen Energy	3.02	—0.05
Herald W'y Times	4.48	+0.02
ICI Aust	2.03	......
Jimberlana F.P.	0.34	—0.05
Kia Ora Gold	0.17	......
Lend Lease	6.4	+0.16
MIM	3.4	—0.06
Mayne Nickless	3.3	......
Myer Emporium	1.79	+0.01
Nat. Aust. Bank	3.85	+0.05
News	7.5xc	......
Nicholas Kiwi	1.95	......
North Bkn Hill	2.65	—0.05
Oakbridge	0.96	—0.01
Pancont'l	1.65	—0.05
Pioneer Conc	1.75	—0.04
Poseidon	4.35	......
Queensland Coal	1.6	—0.01
Reckitt & Coln	3.4	—0.05
Repco	1.22	—0.01
Santos	6.2	+0.1
Smith (Howard)	4.5	......
Thos. Natwide	1.93	—0.02
Tooth	5.8	......
Vamgas	4.3	—0.05
Western Mining	4.18	—0.1
Westpac Bank	3.83	—0.01
Woodside Petrol	1.59	......
Woolworths	3.1	+0.04
Wormald Intl.	3.57	+0.01

HONG KONG

May 1	Price H.K.$	+ or —
Bank East Asia	24.4	......
Cheung Kong	16.2	—0.1
China Light	14.6	—0.2
Evergo	0.85	—0.15
Hang Seng Bank	48.25	—0.25
HK Electric	7.7	......
HK Kowloon Wh.	6.5	—0.05
HK Land	5.6	—0.1
HK Shanghai BK.	7.85xa	—0.05
HK Telephone	80	......
Hutchinson Wpa	23.2	+0.2
Jardine Math	11.6	—0.4
New World Dev	6.95	+0.15
Orient O'seas	2.2	+0.05
Oseas Trust Bk	3.12	—0.05
SHK Props	11.1	—0.1
Shell Elect	1.48	......
Swire Pac A	24.2	+0.2
TV—B	6.25	......
Wheel'k Mard A.	7.25	......
Wheel'k M'time	1.10	......
World Int. Hldns.	2.15	—0.02

JAPAN

May 1	Price Yen	+ or —
Ajinomoto	1,120	+40
Alps Electric	1,850	+10
Amada	1,090	......

JAPAN (continued)

SINGAPORE

SOUTH AFRICA

CANADA

TORONTO

Closing prices May 1

MONTREAL

Closing prices May 1

AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 41

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
		W W W								
8¼	6⅝	WTC			21	20	7⅝	7¼	7¼	
27¾	17¾	Waltbar .40		1.7	13	2	23⅞	23⅞	23⅞	—⅛
15¾	10½	Walco .40		2.5	10	16	15¾	15¾	15¾	
31⅞	15⅞	WangB .16		.9	12	2910	17¼	16⅞	16⅞	—¼
32¼	16	WangC .11		.6	12	8	17¾	17	17	—⅛
2¼	¾	WmC wt				14	1	1	1	—⅛
9⅛	3⅜	WshH s			6	20	7¾	7½	7⅝	—⅛
117	70¾	WshPst .96		.8	16	9	117	116½	117	
26	17¾	WRIT 1.60		6.6	15	21	24¼	24⅛	24⅛	
7⅝	2⅝	Wthfrd				19	5⅞	5¼	5⅜	+⅛
25⅛	13¾	Wthfd pf2.63		15.		11	17¼	17¼	17¼	—½
4¾	1½	Webcor				109	2	1⅞	1⅞	—⅛
5⅝	3½	Wedco			13	1	4⅜	4⅜	4⅜	
17⅞	11⅝	Wedtc n.02e		.1	18	83	14½	13⅞	14½	+½
6⅛	3⅝	Welman14		2.7	6	1	5⅛	5⅛	5⅛	—⅛
14	6¾	Weldtrn			12	29	11¼	10⅞	11¼	+⅛
10⅝	4⅜	Wellco				18	8	7⅞	8	+¼
4⅜	2¼	WelGrd				20	3½	3½	3½	+⅛
4⅝	¾	Wespcp				15	1⅛	1	1	—⅛
18¼	7¾	WstBrC			12	28	8⅞	8⅝	8¾	—¼
13¼	8¼	Wstbr g .20			13	32	11⅝	11½	11⅝	+⅛
14	5⅞	WDigitl			17	379	11½	10⅞	11⅛	—⅛
18⅞	7¼	WtHlth n			16	33	17¼	16⅞	17	—¼
19½	14⅞	WRET 1.52		8.0	15	29	19	18⅞	19	+¼
30¾	16	WstnSL.48e		1.7	13	80	29	28¾	28⅞	+¼
30¾	9⅝	WhEnt s			28	123	29½	28¾	28¾	—⅞
5¾	2¼	Wichita				10	2¾	2¾	2¾	+⅛
11⅞	7⅛	WilicxG			4	55	10⅝	10⅛	10⅛	—⅜
3¼	1	WilsnB				23	1¼	1⅛	1⅛	—¼
23¼	19⅝	Wintin 2.24a		10.		7	21¾	21¾	21¾	—¼
15⅛	11	WkWear.52		4.0	7	16	13⅝	13	13	—½
6⅛	2¾	WwdeE				58	4⅛	3⅞	4	
17¾	12⅝	WWde pf1.80		12.		8	15¼	15	15¼	+¼
34	17½	Worthn .50		2.5	7	25	20⅛	20	20	
21¾	12	Wrath s .02		.1		116	19⅝	18⅞	19½	—⅜
7⅞	3½	WrgtH g.05e			23	141	7⅛	6⅞	7	—⅛
		X Y Z								
13⅞	5⅝	YankCo			9	60	6¾	6⅝	6¾	+⅛
5⅞	4	Yardny .08		1.5	13	10	5¼	5¼	5¼	
11	5⅝	Zimer .10		1.6		78	6¼	6⅛	6⅛	

OVER-THE-COUNTER *Nasdaq national market, closing prices*

LONDON

Chief price changes
(In pence unless otherwise indicated)

RISES		
A B Electronic	450	+23
Argyl Group	302	+10
Bassett Foods	192	+10
Bowater Inds	260	+16
BP	566	+11
Cadbury Schwpp	164	+6
East Mid Allied	138	+8
Elys (Wimbledon)	450	+40
Eurotherm Int'l	355	+15
Evered	216	+11
Ford (Martin)	45	+4
Greenall Whitley	177	+9
Ladbroke	260	+9
Lloyds Bank	560	+12
London Utd Invs	295	+12
MFI Furniture	286	+13
Moss Bros	465	+22
Mowlem (J)	230	+12
Ocean Transport	178	+7
Owen Owen	250	+22
Shiloh	80	+37
Tottenham Hotsp	78	+9
Tricentrol	255	+10
FALLS		
Ex 12½ 90	£104⅛	—£¼
Ex 12 13–17	£119⅝	—£⅝
BAe	390	—5
Eastern Produce	307	—13
Geers Gross	136	—9
Minet Hldgs	234	—10
Resource Tech	34	—6

Continued on Page 50

LONDON STOCK EXCHANGE

MARKET REPORT

Investors give confidence vote to CBI report

Equity index rises 7 to 978.4

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Apr 15	Apr 25	Apr 26	May 7
Apr 29	May 9	May 10	May 20
May 13	May 30	May 31	June 10

* "New-time" dealings may take place from 9.30 am two business days earlier.

Investors gave a more explicit vote of confidence yesterday to the CBI quarterly survey which outlined expanding manufacturing output and orders, together with a more cheerful outlook for domestic unemployment. Inquiries from institutional sources tended to increase, although completed business remained rather modest. A generally more optimistic London equity market also derived support from the NatWest chairman's comment that interest rates may well ease in coming months.

Leading shares improved from the opening with consumer-orientated groups in the van of the advance. Brewery and Food issues attracted considerable interest, while takeover speculation continued in a number of market areas. International stocks and selected overseas earners often revived in the wake of a lower sterling rate against the dollar. The upshot was that many blue chips moved progressively higher throughout the official session, enabling the FT Ordinary share index to close 7 points up at 978.4.

Thorn EMI was easily the most actively traded stock among constituents of the index. An early setback on profit-taking only encouraged revived speculative demand and the price jumped to 470p before reacting to settle a net 11 higher at 456p. Suggestions of sustained Middle East buying—the Kuwait Investment Office was mentioned—took precedence after Tuesday's speculation of a pending bid from America's RCA. British Aerospace eased marginally after details of the Government's proposed offer-for-sale of its remaining shares the issue price of 375p, with 200p payable on application, was in line with recent forecasts.

Restrained by the authorities funding tactics over the two previous sessions, Gilt-edged stocks drifted easier with the pound. Better U.S. bond values, following Tuesday's release of data consistent with recent evidence of a marked slowdown in economic growth, failed to arouse operators here. Many were of the view that the Gilt market was lacking in scope for improvement because some UK institutions had earmarked funds for British Telecom, the call on which is due next month, and for British Aerospace.

Lloyds firm

Clearing banks took a firmer stance, although the volume of business was moderate. Lloyds advanced 12 to 560p following details of the proposed £490m fund-raising call via a multi-million dollar floating rate loan. NatWest gained the same amount to 610p in the wake of the annual general meeting, while Midland put on 5 at 350p and Barclays 4 at 352p. Elsewhere, Royal Bank of Scotland improved 6 more to 290p on renewed support ahead of next Thursday's interim figures.

Lloyds Broker Minet, which recently warned that a syndicate managed by the company could face substantial losses, succumbed to nervous offerings ahead of today's preliminary results and closed 10 down at 234p. Hogg Robinson gave up 6 at 287p and C. E. Heath 2 at 565p awaiting news of the merger discussions. Apart from London United Investments, which jumped 12 to 295p in response to the results, Composite Insurances were lowered reflecting adverse comment.

Institutional investors reappeared for leading Breweries ahead of the interim dividend season. Bass, scheduled to announce half-year results on May 22, were particularly favoured at 535p, up 17, while Allied firmed 3 to 179p. Arthur Guinness also added 3 at 246p. Matthew Brown, depressed of late by the decision to refer Scottish and Newcastle's bid to the Monopolies Commission, rallied 9 to 377p; S. &N. hardened 1½ to 130½p.

Investors took a more positive attitude in the Building sector which displayed several noteworthy gains. Blue Circle moved steadily higher to close 8 up at the day's best of 510p, while Redland gained 5 more to 288p. Small buying in a sensitive market lifted RMC 8 to 360p, while comment on the preliminary results helped Tarmac firm 4 afresh to 552p. Among Timbers, Magnet and Southerns rose 6 to 134p following a broker's circular. Elsewhere, annual profits well above market estimates prompted strength in John Mowlem which touched 238p before profit-taking pared the gain to one of 12 at 230p. Bellway were marked down to 120p on the poor half-year figures, but rallied smartly on thoughts that the company could be vulnerable to a bid to close 3 dearer on balance at 127p.

ICI remained a very subdued market and fluctuated narrowly around the overnight level of 730p prior to closing 4 firmer at 734p.

Owen Owen below best

Numerous good features materialised among secondary Stores. Owen Owen were again subjected to persistent speculative support on talk of a 300p plus bid and soared to 260p before closing a further 22 higher for a two-day surge of 60 to 250p. Elys (Wimbledon), in which Owen Owen has a near-30 per cent stake, jumped 40 to 450p, after 465p, in sympathy. Moss Bros responded to speculative demand and finished 22 higher at 465p, while Martin Ford firmed 4 to 45p on buying inspired by the company's asset value. MFI, currently in receipt of a bid from Associated Dairies, rose 13 to 286p reflecting hopes of a counter offer. French Connection gained 25 at 230p and Fine Art Developments rose 5 at 84p, while W. H. Smith "A," at 216p, and Harris Queensway, at 220p, moved up 6 and 8 respectively.

Apart from the activity in Thorn EMI, leading Electricals were relatively quiet. British Telecom encountered support and put on 3 to 143p. Selected issues encountered occasional support, helped by favourable Press comment. Cable and Wireless stood out with a gain of 12 to 540p along with AB Electronic, 23 higher at 450p. Eurotherm were also noteworthy for a rise of 15 to 355p. Comment on the preliminary figures left Farnell 6 to the good at 201p, while Volex featured a jump of 28 to 173p after speculative activity. Resource Technology, in contrast, fell 6 to 34p on the late dealings following the statement on boardroom changes and the appointment of new brokers to the company.

Secondary issues claimed most interest in Engineers. Haden rose 21 to 331p on news of a possible consortium offer; it was also announced yesterday that the bid from Trafalgar House for Haden will not be referred to the Monopolies Commission. Rival bid hopes lifted Westland 9 to 149p, while dealings resumed in Planet Group, at 106p, following the share exchange or cash offer from Heywood Williams; the latter eased 5 to 141p.

A firm Food sector featured Cadbury Schweppes, up 6 at 151p, as did Unigate, to 161p. Takeover speculation again boosted Bassett, 10 higher at 192p. Among Retailers, J. Sainsbury firmed 4 more to 340p ahead of annual results due later in the month, while persistent buying lifted Argyll 10 to 302p. Elsewhere USM-quoted Slaters rose 8 for a two-day gain of 13 to 70p on country buying.

Among Hotels, recently-overlooked Ladbroke revived strongly and closed 9 higher at 260p. Dealings in Midsummer Inns resumed at 245p with a close of 270p compared with the suspension price of 235p following acquisition details and good interim results.

Shiloh feature

Trading statements brought several outstanding movements in the miscellaneous industrial sector. Shiloh, reflecting preliminary results well above market expectations, advanced smartly to close at around the day's best with a rise of 37 to 80p. J. W. Spear responded to good preliminary figures with a gain of 11 to 133p, while Spong, 21½p, and Marshalls Universal, 66p, both closed 2 dearer following annual results. Renewed buying lifted TSL Thermal Syndicate 14 further to 315p, while a gain of 16 to 260p in Bowater was attributed to investment demand. Sangers made fresh headway at 80p, up 5, helped by option business. PSM, still benefiting from the preliminary statement, improved 6 more to 185p, but second-thoughts on Tuesday's trading statement prompted profit-taking in Ropner and the Ordinary falling 11 to 174p and the A 10 to 173p.

Speculative demand left Evered 11 to the good at 216p, but falling tea prices prompted weakness in Eastern Produce, down 13 at 307p. Other noteworthy movements included Morgan Crucible, 8 higher at 225p, and Bodycote, 7 dearer at 109p. Foseco closed a few pence down at 227p following preliminary figures much in line with market expectations.

Buying ahead of the interim results, due on May 21, lifted Aspinall Holdings 6 to 166p, while news that planning permission had been granted for residential development on its training ground at Cheshunt, Herts, lifted Tottenham Hotspur 9 to 78p. Media Technology revived in a restricted market and moved up 10 to 165p, but Nimslo International fell 5 to 34p following the annual results.

Motors were inclined harder in places. Jessups moved up 2 to 67p following the interim results.

East Midland Allied Press "A" rose 6 to 138p on revived takeover speculation. Among Paper/Printings, Geers Gross lost 9 to 136p following disappointing preliminary figures.

Residential property developers featured in an otherwise quiet Property sector. Hopes connected with recent moves to end controls on new lettings of private housing raised Daejan 15 to 420p and Mountview Estates 10 to 380p. Mountleigh moved up 5 to 295p and Percy Bilton hardened a couple of pence to 230p.

Bats, depressed on Tuesday by news that U.S. broker's, Drexel Burnham, had lowered its rating of the company, became a steadier market and closed 5 dearer at 318p, after 320p; sentiment was helped by impressive first-quarter results announced by a Brazilian subsidiary.

Tricentrol advance

Tricentrol initially rose to a year's high of 260p on a Press suggestion of an imminent bid from Enterprise Oil but subsequently eased to close a net 10 firmer at 255p following first quarter results broadly in line with market expectations; at the annual meeting yesterday the chairman reiterated Tricentrol's opposition to any takeover attempt. Other leading oils attracted U.S. support, reflecting the downturn in sterling against the dollar. BP were a firm market throughout the session and settled 11 to the good at 565p, while Britoil and Enterprise Oil added around 3 apiece at 218p and 196p respectively. Bid speculation continued to sustain Burmah, which hardened a like amount to 231p. Elsewhere IC Gas rose 11 to a 1985 high of 361p.

Golds lose ground

The marked weakness of the bullion price left South African Golds showing sizeable losses for the third successive trading day. Bullion dropped sharply in New York overnight and continued to decline in London trading when the price touched a low of $310.75 an ounce prior to closing a net $9.25 off at $311.75—its lowest closing level since mid-March.

The closure of most Continental centres for a public holiday kept business in the gold share sector down to a minimum but overnight American selling, coupled with progressive marking down in London in line with bullion left the majority of stocks at the day's lowest levels. Consequently, the Gold Mines index dropped 14.2 more to 487.1, making a three-day fall of 34.1.

Among the leading Golds, falls in excess of a point were recorded by Buffels, £34½, Free State Geduld, £21¾ and President Brand, £21⅜, while the cheaper priced issues showed new lows for the year common to Bracken, 7 easier at 134p, Blyvoor, 23 lower at 591p and Stilfontein, which dropped 22 to 653p. South African Financials suffered along with Golds with "Amgold" £1⅜ off at £71½ and Gold Fields of South Africa, ¾ down at £13¾.

UK Financials showed Consolidated Gold Fields 10 down at 535p, following the weak trend in bullion.

MIM Holdings' poor third-quarter results prompted widespread falls in Sydney and Melbourne markets overnight and losses followed through into London where dealers marked prices lower at the outset. Attempted rallies proved short-lived and the sector generally closed around the day's lows. Western Mining were vulnerable and settled 7 off at 218p while Peko-Wallsend dipped a similar amount to 224p. Renison lost 7 to 288p on news that the company is withdrawing from the Beaconsfield joint venture in northern Tasmania. In Golds, Poseidon fell away to close 6 off at 220p.

FINANCIAL TIMES STOCK INDICES

	May 1	Apr. 30	Apr. 29	Apr. 26	Apr. 25	Apr. 24	year ago
Government Secs.	81.13	81.28	81.30	81.19	81.88	81.40	81.53
Fixed Interest	85.65	85.60	85.58	85.87	85.92	86.11	86.86
Ordinary	978.4	971.4	968.5	970.9	965.5	962.5	919.4
Gold Mines	487.1	501.3	508.6	521.2	515.1	509.3	668.0
Ord. Div. Yield	4.65	4.69	4.69	4.68	4.71	4.71	4.25
Earnings, Yld.% (full)	11.69	11.76	11.78	11.75	11.83	11.86	9.84
P/E Ratio (net) (*)	10.48	10.34	10.34	10.37	10.30	10.27	12.26
Total bargains (Est.)	19,151	24,085	25,673	26,789	23,670	24,085	24,740
Equity turnover £m.	—	376.10	308.70	568.59	444.05	429.07	327.12
Equity bargains	—	19,622	21,979	26,614	23,426	19,308	21,470
Shares traded (ml)	—	179.8	171.7	271.2	223.3	190.3	186.7

10 am 974.6. 11 am 976.8. Noon 977.0. 1 pm 977.5. 2 pm 977.5. 3 pm 978.8.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ordinary 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

Latest Index 01-246 8026.

* Nil=10.11.

HIGHS AND LOWS

—	1985 High	1985 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	82.00 (18/4)	78.02 (28/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	86.19 (22/4)	82.17 (28/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ordinary	1024.5 (22/1)	928.7 (3/1)	1024.5 (22/1/85)	49.4 (26/6/40)
Gold Mines	536.9 (15/4)	459.5 (25/1)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY INDICES

	Apr. 30	Apr. 29
Daily		
Gilt Edged Bargains	127.7	12.67
Equities Bargains	127.1	142.4
Value	760.2	624.0
5day Average		
Gilt Edged Bargains	127.3	131.9
Equities Bargains	143.8	147.8
Value	859.6	848.1

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Apr 22	May 3	July 25	Aug 3
May 7	May 17	Aug 8	Aug 19
May 20	June 7	Aug 29	Sept 9

For rate indications see end of Share Information Service

Stocks to attract money for the call included North Kalgurli, Sangers, Oliver Prospecting, CASE, Sarasota, Premier Consolidated, Jonas Woodhead, C. H. Bailey, Brengreen, Bemrose, Sellincourt, Aspinall Holdings, Australian Consolidated Minerals, Burnett and Hallamshire, GEC, Pilkington Bros, Enterprise Oil, Racal, Combined Technology and Jardine Matheson. No puts or double options were reported.

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	6	83	18
Corpns Dom and Foreign Bonds	2	2	70
Industrials	391	176	879
Financial and Props	84	25	436
Oils	36	16	73
Plantations	2	4	11
Mines	10	89	81
Others	99	45	79
Totals	630	441	1,647

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
Bowater Inds	260	+16
East Mid Allied A	138	+ 6
Foseco Minsep	227	− 3
Geers Gross	136	− 9
Haden	331	+21
Midland Bank	350	+ 5
Mowlem (J.)	230	+12
Owen Owen	250	+22
RMC	360	+ 8
Saatchi & Saatchi	605	—
Shiloh	80	+37
Westland	149	+ 9

TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Tues. close	Day's change
Thorn EMI	28	445	+28
Burmah Oil	19	228	+13
ICI	16	730	−10
Tarmac	14	548	+16
BTR	13	702	—
Dixons Group	13	684	+22
BAT Inds	12	313	−15
Brit Aerospace	12	395	− 5
Brit Home Strs	12	284	+ 5
Debenhams	12	279	—
Hogg Robinson	12	293	− 2
Cable & Wire	11	528	+ 3
Control Secs	11	42	+ 3¼
Westland	10	140	—

RECENT ISSUES

EQUITIES

[illegible]

FIXED INTEREST STOCKS

[illegible]

RIGHTS OFFERS

Issue price	Amount paid up	Latest Renunc. date	1985 High	1985 Low	Stock
190	F.P.	31/5	210	195½	STC
158	F.P.	14/5	182	168	United Biscuits
280	F.P.	25/5	325	298	Wolstenholme Rink
15	F.P.	17/5	21	17	Worthington (A. J.)

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1985. H Dividend and yield based on prospectus or other official estimates for 1984. Q Gross. p Pence unless otherwise indicated. ¶ Issued by tender. || Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ▇ Allotment letters or fully-paid. ‖‖ Introduction. ⊕ Unlisted Securities Market. § Placing price. T Figures assumed. †† Official London Listing. ‡‡ Dealt in under Rule 535(3). ‡ Units comprising 4 Ord., 1 Warrant and £1.00 of 12½ per cent Uns.Ln. stk. 1995-99.

NEW HIGHS AND LOWS FOR 1985

NEW HIGHS (76)

BREWERS (1)
Devenish (J. A.)

BUILDINGS (5)
Magnet & Southerns; Rowlinson; Marshall's Halifax; Tarmac; Mowlem (J.)

CHEMICALS (1)
Allida Hldgs.

STORES (7)
Dixons Group; Owen Owen; Fine Art Dvlpts.; Samuel (H.); Liberty N-V; Simpson (S.) A; Moss Bros.

ELECTRICALS (3)
INSTEM; Systems Reliability; Jones Stroud

ENGINEERING (9)
Aurora; Locker (T.); Do. 8pc CnvRedPfd; Metalrax; Blackwood Hodge; TACE; Cooper Inds.; Westland; Haden

FOODS (2)
Argyll Group; Dee Corp.

INDUSTRIALS (20)
Appledore (A. P.); Polly Peck; Berham Group; Sangers; DPCE; Do. 11pc Cnv. Ln. 1994-2002; Dufay Bitumastic; Shiloh; Evered; Sunlight Service; Evode; TSL Thermal Synd.; Fogarty; Triefus; Friedland Doggart; Welpac; Grampian Hldgs.; Worthington (A. J.); Johnson Matthey; Platon Intl.

LEISURE (1)
First Leisure

MOTORS (1)
Kwik-Fit

NEWSPAPERS (1)
Bristol Eve. Post

PAPER (1)
Valin Pollen Intl.

PROPERTY (7)
City Site Estates; Daejan (Hldgs.); Ewart New Northern; Mountview Estates; [illegible]

TEXTILES (3)
Carpets Intl.; Foster (John); [illegible]

TRUSTS (6)
Jos Hldgs.; Lowland Inv.; Shires 11pc Cnv. Ln. 2003-04; [illegible]

OILS (4)
Tricentrol; Do. 11pc Cnv. Ln. 1995-2005; [illegible]

OVERSEAS TRADERS (2)
Paterson Zochonis; [illegible]

MINES (2)
Jo'burg Cons.; [illegible]

NEW LOWS (23)

AMERICANS (4)
Alcoa; Amdahl; [illegible]

CHEMICALS (1)
Wardle Storeys

ELECTRICALS (5)
CPS Computer; Dubilier; Logica; [illegible]

INDUSTRIALS (4)
Anglo-African Fin.; Fletcher Challenge; [illegible]

TRUSTS (4)
Cambrian & Genl.; Edinburgh Fin. Tst.; 1928 Inv. Ln 1994; [illegible]

PLANTATIONS (1)
Plantation Gen. Inv.

MINES (4)
Bracken; Wit. Nigel; [illegible]

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS — Wed May 1 1985

[illegible]

FIXED INTEREST

[illegible]

EUROPEAN OPTIONS EXCHANGE

[illegible]

A=Ask B=Bid C=Call P=Put

LONDON TRADED OPTIONS

[illegible]

May 1. Total contracts 4,807 Calls 3,322. Puts 1,485.
* Underlying security price.

LONDON SHARE SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1985 High	1985 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
100⅞	99⅛	Treas 11½pc 1985	99¼	.....	11.53	12.57
98⅞	97¼	Treas 8¼pcCnv '85	98⅞	−1/16	8.87	12.49
101⅞	99⅞	Exch. 12¼pc 1985	100⅛xd	−1/16	12.24	12.12
101⅛	99⅛	Exch. 11¾pc '86	99⅞	−1/16	11.76	11.74
99½	97⅛	Treas. 10pcCnv 1986	98⅝	−1/16	10.14	11.55
94⅛	92¾	Treas 3pc 1986	93⅞	+⅛	3.20	9.29
100	97½	Exch. 10½pc Cv '86	99⅛	−1/16	10.60	11.51
101⅞	99¼	Treas 12pc 1986	100¼	−1/16	11.96	11.59
97⅛	94¾	Treas 8½pc 1984-86‡‡	96⅞	.....	8.77	11.36
105⅛	102⅛	Exch. 14pc 1986	103⅛	−1/16	13.57	11.60
91⅞	87¾	Exch. 2½pc 1986	91⅛xd	−1/16	2.73	8.49
104⅛	101¾	Exch. 13¼pc 1987	102⅛	−1/16	12.92	11.52
99½	96⅝	Treas 10¼pcCv '87	98⅛	−1/16	10.45	11.40
90	85½	Exch 2½pc 1987	89⅛	.....	2.79	8.83
99⅛	96¼	Exch. 10½pc 1987	98⅛	−1/16	10.68	11.48
93	89	Funding 6½pc '85-87‡‡	92½xd	.....	7.04	10.85
98½	95½	Treas. 10pc 1987	97⅛	−1/16	10.30	11.58
87⅞	84¼	Treas 3pc 1987	87½	−⅛	3.43	9.41
102⅛	99⅛	Treas. 12pc 1987	101⅛xd	−1/16	11.87	11.48
93⅛	90¼	Treas 7¼pc 1985-88‡‡	92⅛	−1/16	8.38	11.02
98⅞	95⅛	Exch 10½pc '88	97¾xd	−1/16	10.74	11.41
96⅛	93¼	Treas 9¾pc Cv '88	95½	−1/16	10.21	11.49
83¾	80	Transport 3pc '78-88	83⅛	−1/16	3.59	9.09
95⅛	91½	Treas. 9½pc '88	94⅛	−1/16	10.07	11.49
101⅛	97½	Treas 11½pc 1989	100⅛	−1/16	11.48	11.42
95⅛	90¾	Treas 9½pc Cnv. '89	93⅛	−¼	10.13	11.48
79⅛	79	Treas 3pc 1989	79⅛	.....	3.79	9.35
98½	94	Treas 10½pc 1989	96⅛	−1/16	10.86	11.52
96⅛	92	Exch.10pc 1989	95⅛	−¼	10.52	11.43
99⅛	95	Exch 11pc 1989	98¼	−1/16	11.18	11.45
83	79	Treas 5pc 1986-89	82⅛	−1/16	6.06	9.93
107½	103¼	Treas 13pc 1990‡‡	106⅛	−1/16	12.26	11.28
99⅛	96⅛	Exch 11pc 1990‡‡	98½	−1/16	11.18	11.28
108¾	100¼	Exch. 12¼pc 1990	104⅛	−¼	12.01	11.37

Five to Fifteen Years

Over Fifteen Years

Undated

Index-Linked

INT. BANK AND O'SEAS GOVT STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS

Building Societies

Public Board and Ind.

Financial

FOREIGN BONDS & RAILS

AMERICANS

AMERICANS—Cont.

CANADIANS

BANKS, HP & LEASING

Hire Purchase, Leasing, etc.

BEERS, WINES & SPIRITS

BEERS, WINES—Cont.

BUILDING, TIMBER, ROADS

CHEMICALS, PLASTICS

DRAPERY AND STORES

DRAPERY & STORES—Cont.

ELECTRICALS

ENGINEERING

ENGINEERING—Continued

FOOD, GROCERIES, ETC

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

INSURANCES

LEISURE

LEISURE—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Diamond and Platinum

Central African

MINES—Continued

Finance

Australians

Tins

Miscellaneous

High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's
120	70	Colby Res Corp.	80	....	—	—	—
560	450	Cons. Murch. 10c	450	....	10100c	1.4	10.8
40	28	Emex Int. Ir10p	35	...	—	—	—
117	73	Greenwich Res. Inc.	80	...	—	—	—
215	157	Hampton Areas 10p	202	−3	3.75	2.1	2.5
260	160	Highwood Res.	200	....	—	—	—
£22½	£18	Homestake Mining $1	£19⅝	−⅛	020c	—	0.8
310	190	McFinley Red Lake	285	−5	—	—	—
300	195	Minsto Explorations	265	−5	—	—	—
55	23	New Sabina Res C$1	47	−3	—	—	—
375	260	Northgate C$1	320	−25	—	—	—
685	581	RTZ	625	....	20.0	q2.9	4.7
£145½	£129	Do. 9½pcLn '95-2000	£136	+½	Q9½%	35.4	—
£13¾	£10	Tara Explo $1	£13¼	....	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- "Tap Stock".
- Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- Figures or report awaited.
- Not officially UK listed; dealings permitted under Rule 535(4)(a).
- USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 535(3).
- Price at time of suspension.
- Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- Merger bid or reorganisation in progress.
- Not comparable.
- Same interim: reduced final and/or reduced earnings indicated.
- Forecast dividend; cover on earnings updated by latest interim statement.
- Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- No par value.

B.Fr. Belgian Francs. Fr. French Francs. ‡‡ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other offer estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment. Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Tender price. F Dividend and yield based on prospectus or other official estimates for 1984-85. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or official estimates for 1984. M Dividend and yield based on prospectus or other official estimates for 1985-86. N Dividend and yield based on prospectus or other official estimates for 1985. P Figures based on prospectus or other official estimates for 1983. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL & IRISH STOCKS

The following is a selection of Regional and Irish stocks, the latter being quoted in Irish currency

Stock	Price	+ or −	Stock	Price	+ or −
Albany Inv 20p	100	....	Arnott	198	+1
Craig & Rose £1	£10	...	CPI Hldgs.	58	...
Finlay Pkg. 5p	61	...	Carroll Inds.	118	+1
Higsons Brew	152	−3	Dublin Gas	54	...
Holt (Jos) 25p	745	....	Hall (R. & H.)	50	....
IoM Stm. £1	95	....	Heiton Hldgs.	16	...
IRISH			Irish Ropes	41	.
Exch. 12% 1985	£100	..	Jacob (W.& R.)	71xd	...
Nat 9¾% 84/89	£90¼	+¼	Unidare	85	...
Fin. 13% 97/02	£98½	.			

OPTIONS — 3-month call rates

Industrials	p		p		p
Allied-Lyons	16	GKN	17	Turner Newall	10
BAT	32	Hanson Tst.	17½	Unilever	85
BOC Grp.	25	Hawker Sidd	38	Vickers	19
BSR	16	Hse of Fraser	30	**Property**	
BTR	52	ICI	60	Brit Land	12
Babcock	14	'Imps'	10	Cap Counties	18
Barclays	48	Jaguar	28	Land Secs	25
Beecham	32	Ladbroke	24	MEPC	28
Blue Circle	45	Legal & Gen	50	Peachey	22
Boots	15	Lex Service	28	Samuel Props	14
Bowaters	20	Lloyds Bank	45	**Oils**	
Brit Aerospace	33	Lucas Inds	25	Brit. Oil & Min	4
Brit. Telecom	11	Marks & Spcr	11	Brit Petroleum	42
Brown (J.)	3	Midland Bk	30	Burmah Oil	18
Burton Ord	39	NEI	8	Charterhall	6
Cadburys	14	Nat West Bk	60	Premier	5
Comm Union	19	P & O Dfd	36	Shell	60
Courtaulds	12½	Plessey	17	Tricentrol	18
Debenhams	17½	Polly Peck	26	Ultramar	19
Distillers	28	Racal Elect	18	**Mines**	
Dunlop	6	RHM	11	Charter Cons	18
FNFC	1½	Rank Org Ord	32	Cons Gold	44
Gen Accident	45	Reed Intnl	50	Lonrho	14
Gen Electric	17	Sears	8	Rio T Zinc	56
Glaxo	85	TI	20		
Grand Met	25	Tesco	20		
GUS 'A'	68	Thorn EMI	35		
Guardian	60	Trust Houses	13		

A selection of Options traded is given on the London Stock Exchange Report page.

"Recent Issues" and "Rights" Page 43

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £800 per annum for each security.

AUTHORISED UNIT TRUSTS

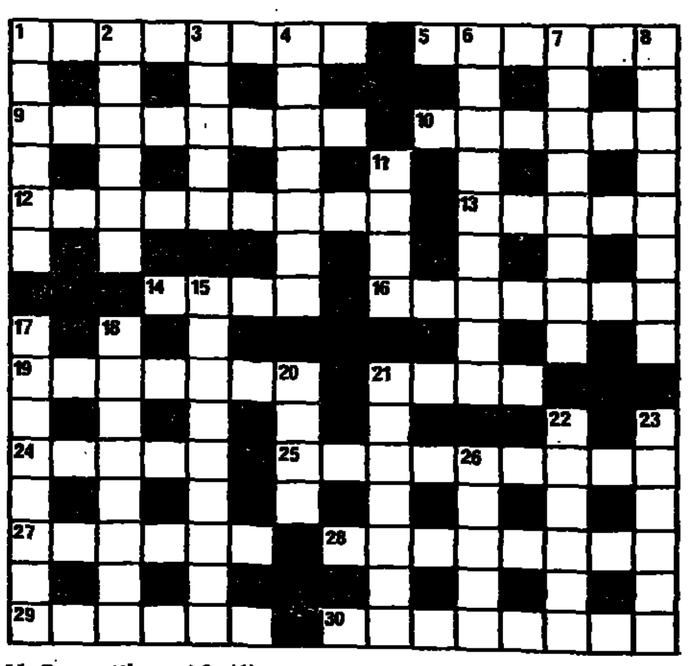
FT UNIT TRUST INFORMATION SERVICE

Britannia Gp. of Unit Trusts Ltd. (a)(c)(g)
Salisbury House, 31, Finsbury Circus, London EC2 01-588 2777 Dealing: 01-638 0478/0479
Britannia Viewpoint 01-675 6666

UK Specialist Funds				
Growth Gilt Trust	51.9	52.7	..	0.73
Recovery	77.3	82.5xd	..	2.86
Smaller Cos.	112.6	120.1	..	1.27
Spec. Mkt. Sits.	73.3	78.2xd	..	1.34
UK Growth (Domestic)	32.7	34.9	..	3.02
High Income Funds				
Extra Inc.	51.3	54.7	..	7.52
Gilt	25.7	27.1	..	9.74
Inc & Growth	149.3	159.3xd	..	4.77
Nat. High Inc.	144.7	154.3xd	..	6.04
Pref. Shares	17.3	18.5	..	11.16

INSURANCES

F.T. CROSSWORD PUZZLE No. 5,708



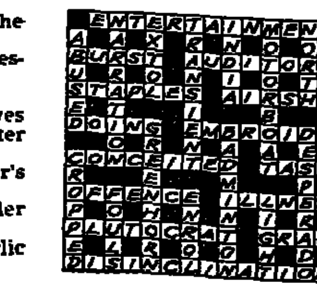
ACROSS

1 Half-lick of a cat that is on hand (8)
5 Foreman makes blunder right (6)
9 She serves in foreign war-sites (8)
10 On board, recreation spreads out (6)
12 Being unusually curt, I take a change of air. That is rash! (9)
13 Good fellow altogther, he (5)
14 Brotherhood? (4)
16 Summon worker for hisorical procession (7)
19 Drumsticks are produced in it and for it (7)
21 Frame of southern wood (4)
24 Modern fashion has house backing onto square (5)
25 Unwilling to make cattle run (9)
27 Artisans know these skinny types (6)
28 Judge of a fipple-flute (8)
29 Football with different ending is rough and tough (6)
30 Dressed English leather is so heavenly! (8)

DOWN

1 Just left? Ghastly! (6)
2 Former county that produced some bright sparks (6)
3 Like some lines of early Rice? (5)
4 Air-intake below bridge (7)
6 This vegetable has a well-inverted sugar (9)
7 After apartment? Use craft and barge (8)
8 Notes are tuned to vibrate sympathetically (8)
11 Gay settlement? (4)
15 Attitude of respect for Seb. Coe in a medley (9)
17 This sees the end of the stock (8)
18 Working as a Post-Impressionist? (8)
20 Thread of the story (4)
21 Number in water off Cowes keeping heads above water (7)
22 Of course, he is a driver's assistant (6)
23 Alcohol that makes ostler drunk (6)
26 Many adore a piece of garlic (5)

Solution to puzzle No. 5,707



INSURANCE, OVERSEAS & MONEY FUNDS

Liberty Life Assurance Co Ltd
Station Rd, New Barnet 01-440 8210
Fund Managers, Touche Remnant & Co

Sel Ser A	26.7	28.2		—
Managed	20.8	21.9		—
Equity	16.6	17.5		—
Blue Chip	22.6	21.8		—
Special Sits	24.7	26.1		—
International	27.6	29.1		—
American	21.5	22.7		—
Pacific	20.8	21.9		—
Property	17.4	18.4		—
Euro Yield	20.2	21.3		—
Index Linked Secs	11.2	11.8		—
Int Currency	13.6	14.4		—
Deposit	16.1	17.0		—

Life Assur. Co. of Pennsylvania
8, New Rd, Chatham, Kent. Medway 812348

LACOP Units	15.10	15.86		—

Lloyds Life Assurance
20, Clifton St, EC2A 4HX. 01-920 0202/0733 262524

Multi Gwth April 6		£318.819		—
Multi Gwth "A" Apr 6	285.0	300.0		—
Op 8 Prop April 25	265.0	279.0		—
Op 8 Equity April 30	396.2	417.1		—
Op Hy April 25	270.9	285.2		—
Op 8 Man April 25	358.6	377.5		—
Op 8 Dep April 30	205.1	215.9		13.12
Op 8 Bond April 25	179.4	188.9		—
Op 8 Inc Dist April 25	148.9	156.8		8.29
Op 8 Int. Man April 18	202.6	213.3		—
Op 8 US$ April 18	144.4	152.1		—
Pens 8 Pr Ac Apr 15	355.9	374.7		—
Pens 8 Eq Ac April 15	1,169.0	1,230.6		—
Pens 8 FI Ac April 15	401.2	422.4		—
Pens 8 Md Acc Apr 15	656.2	690.8		—
Pens 8 Dp Acc Apr 15	333.4	351.0		—
Pens8Gart Globe Apr 15	113.0	119.0		—
Pens 8 Gart NA Apr 15	98.1	103.3		—
Pens8GartP Apr 15	116.1	122.3		—

For Pensions Capital Units please ring ext 2396 or 2361

Britannia Funds—Series A

[illegible]

National Provident Institution
48 Gracechurch St, EC3P 3HH 01-623 4200

Managed	205.1	215.9	+0.5	—
UK Equity	240.7	253.4	+1.1	—
Overseas Eq.	196.7	207.1		—
American	199.6	210.2	+1.4	—
Far East	167.7	176.6	+0.1	—
Property	114.1	120.1		—
Fixed Int	164.4	173.1	+0.1	—
Indexed Gilt	106.6	112.3		—
Deposit	116.3	122.5		—

Pension Fund Prices

Man. Initial	206.4	217.3	+0.5	—
Man Acc.	232.2	244.5	+0.7	—
Uk Eq. Initial	227.5	239.5	+1.4	—
Uk Eq	251.9	265.2	+1.5	—
Overseas Eq. Initial	220.3	231.9	+0.6	—
Overseas Eq.	255.8	269.3	+0.7	—
American Initial	222.6	234.4	+2.2	—
American	248.0	261.1	+2.5	—
Far East Initial	207.7	218.7	+0.1	—
Far East	231.8	244.1	+0.1	—
Prop. Initial	110.3	116.2		—
Prop.	122.8	129.3		—
Fixed Int. Initial	148.4	156.3	−0.3	—
Fixed Int.	164.7	173.4	−0.2	—
Indexed Gilt Initial	99.6	104.9		—
Indexed Gilt	110.9	116.8	+0.1	—
Deposit Initial	115.6	121.7	+0.1	—
Deposit	129.2	136.0		—

NPI Pensions Management Ltd.

Managed Fund	577.7	592.5		—

Prices May 1. Next dealing June 3.

New Zealand Insurance PLC
110/114, Baxter Avenue, Southend. (0702) 344555

Invst Acy (Managed)	379.5	391.3		—
Uk Equity	177.2	186.6		—
American	254.0	267.4	−2.6	—
Pacific	367.8	387.2	−3.2	—
Property	157.2	165.5	+0.9	—
Gilt	179.3	188.8	−0.1	—
High Inc. Equity	163.5	172.1	+0.2	—
High Inc. Fxd. Int.	105.0	110.6	+0.3	—

[illegible]

OFFSHORE AND OVERSEAS

[illegible]

World Wide Growth Management
10a, Boulevard Royal, Luxembourg

Worldwide Gth Fd	$12.20			—

Inv. Adv.: M. & G. Inv. Mngt., Ltd., London.

Wren Commodity Management Ltd.
10, St George's St, Douglas IoM. 0624 25015

Wren Cmo Fund	12.8	13.4		0.00
Chinese Fund	59.5	62.0		0.00
Precious Metal Fund	69.5	72.4		0.00
Vanguard Cmdy. Fd.	19.3	19.8		0.00
Financial Futures Fd.	31.6	33.8		—

Yamaichi Dynamic Mngt Co SA
10A Boulevard Royal, Luxembourg

Dynamic Gwth Fd		$8.43		—

Money Market Trust Funds

	Gross	Net	Gr Equiv CAR	Int. Cr
The Money Market Trust 63 Qn Victoria St, EC4N 4ST. 01-236 0952				
Call Fund	12.73	9.56	14.16	6mth
7-day Fund	13.11	9.80	14.63	6mth
Oppenheimer Money Management Ltd 66 Cannon St, EC4N 6AE. 01-236 1425				
Call Fund	12.91	9.65	14.28	6-Mth
7-day Fund	12.65	9.46	13.97	6-Mth
Dollar	7.25	—	—	6-Mth
Money Mngt. Acc	12.50	9.34	14.03	3-Mth

Money Market Bank Accounts

	Gross	Net	Gr Equiv CAR	Int. Cr
Aitken Hume 30 City Road, EC1Y 2AY. 01-638 6070				
Treasury Acc	12.50	9.34	14.03	Qtr
Mth. Int. Chq.	12.375	9.25	14.05	Mth
Bank of Scotland 38 Threadneedle St, EC2P 2EH. 01-628 8060				
Cheque Acc.	12.05	9.00	13.40	Mth
Barclays Prime Account PO Box 125, Northampton 0604 252891				
High Int. Cheque	12.25	9.00	13.49	Qtr
Britannia Grp of Investment Companies 29 Finsbury Circus, EC2M 5QL. 01-588 2777				
Cater Allen	12.25	9.16	13.64	Mth

Charterhouse Japhet plc

[illegible]

COMMODITIES AND AGRICULTURE

Denaturing threat to British wheat market

BY JOHN BUCKLEY

THE EUROPEAN Commission is reported to be considering a proposal to rule out Britain's 3m tonnes intervention wheat stock from the human consumption market by colouring it with dye.

The "denatured" grain would then only be suitable for the animal feed market.

The report is worrying UK traders, who point out that while most of the wheat was bought in as "other" (feed quality) wheat, much of it could be of breadmaking quality or could be mixed with higher grade wheats for export to milling markets.

Some claim that the denaturing suggestion, said to have strong backing from French breadwheat exporting interests, would effectively lower the value of the UK stock by some $20 to $30 per tonne on world markets, where few customers exist in any case for dyed wheat.

Others believe the question of exporting UK intervention wheat has become academic and that the Commission has deliberately delayed the freeing of this grain too late into the season for buyers to be interested. One source notes that the French have probably cleared most of the grain they hoped to sell in their 1984-85 marketing year, aided by recent sales to Morocco.

There have also been rumours of an alternative plan to mix UK intervention wheat with barley, again to render it unfit for export to milling markets. Traders say this might be difficult because of barley's tighter supplies and would also give rise to problems over customs coding, even as feed-grain exports.

Grain market analysts say the "stalling" of a decision on the future of Britain's intervention wheat focuses attention on the long-standing dilemma of whether to pay for storage or for export subsidies on surplus grain.

Alastair Muir

TRADING on the Baltic International Freight Futures Exchange (Biffex) got off to a relatively quiet start yesterday, following its official opening by Sir Alan Traill, Lord Mayor of London.

Turnover was 157 lots, concentrated in the first three delivery months. Some members thought the turnover was a bit disappointing. Others said it was better to have a quiet start, based on genuine trade business, rather than an artificially high turnover, boosted by "phoney" deals, that could not be sustained.

The May Day holiday meant that there was little business from the Continent and there was some confusion in establishing the differentials between delivery months.

Traders acknowledged that it might be some time before the shipping industry learned how to use the market.

It looks as if Biffex may face difficult birth pangs. At present the freight market is in a depressed state and as one member put it "shipping is the pits in the summer months."

● ***Details of Biffex trading will be included daily under the London Markets report on the bottom half of this page.***

Also, in response to readers' requests, the base metals tables have been simplified. A "high" and "low" for the day's trading is introduced to replace the list of dealings, which only covered a proportion of the price quotations. The official closing prices on the London Metal Exchange at the end of the morning trading rings are now shown below the relevant table.

U.S. crude oil stocks rise for third week

By Nancy Dunne in Washington

U.S. STOCKS of crude oil rose last week by almost 9.5m barrels to 342m barrels, according to the American Petroleum Institute.

It was the third consecutive weekly rise and left crude stocks 850,000 barrels ahead of the level a year ago.

Distillate fuel oil stocks fell by a little more than 1m barrels last week to 96.5m barrels, almost 5m barrels behind the same week in 1984.

Petrol stocks also declined to 214.3m barrels, 1.5m barrels less than last week and almost 36m barrels less than last year. Residual fuel oil stocks rose to 45.8m barrels, 1m barrels more than last week and 409m barrels ahead of last year.

Crude oil imports totalled about 3.6m barrels, an increase of 205,000 from the previous week.

● **UK FARM** income may fall by 15 per cent in real terms in 1985 after a rise of 15 per cent in 1984. Mr Christopher Johnson, Lloyds Bank group economic adviser, said yesterday.

The fall would be caused by a standstill in average prices, a 10 per cent fall in output and a 6 per cent rate of inflation, he explained at a conference in Newcastle.

He said cereals in the EEC would face a crisis of overproduction in 1986, but the severe winter weather could reduce output by 10 per cent in 1985, thus temporarily relieving some of the pressure on the market.

Although the European Commission had proposed a cereals price cut of only 3.5 per cent, UK cereals were efficient enough to withstand a price cut of up to 5 per cent this year and for the next few years, he added.

● **FOOD PRODUCTION** in developing Africa continued to fall in 1984, although North Africa and coastal West Africa had better crops following improved rains, according to the African Development Bank's annual report.

Key role for UK in steam coal market

Gerard McCloskey on uncertainty about prices and supplies

EUROPE'S steam coal market has entered a period of delicate balance. The arrival of coal from Colombia's El Cerrejon North Block mine is being offset by a loss of 3m tonnes of Polish supplies, while an overall rise in demand is being countered by increased availability from South Africa and the U.S.

Price levels and overall tonnages remain unpredictable, however, because doubt remains over the role of the UK in the market.

Predictions from the El Cerrejon partners, Exxon and Carbocol, that they intended to move 3m tonnes of coal this year were first greeted with concern in Europe. With the UK strike drawing to an end it was feared that prices would drop sharply and demand would soon be satisfied.

Spot prices for South African steam coal in Rotterdam dropped by $2 a tonne in March to $41-$42, where they have stayed since. But the harsh Northern European winter has meant that Polish steam coal supplies are already significantly below 1984 levels and this fall, which most traders do not expect to be made up during 1985, should ensure that there is a ready demand for supplies from elsewhere.

The strongest demand growth this year is expected for new coal-fired stations in Ireland, Spain, Italy and Greece where imported coal is blended with domestically-produced lignite. Some increased industrial demand is expected in Germany.

Whether international prices will increase depends mainly on the role played by the UK.

On the export front, the National Coal Board (NCB) has told its traditional customers that it hopes it will be able to fulfill supply commitments and little new business should be expected. Earlier this month, however, it became apparent that the NCB had put in a bid for the Greek Public Power Utility's 700,000-tonne tender.

The price of the UK bid—£35 a tonne FOB Immingham—was more than 50 per cent higher than its £22-£23 bid a year ago in a contract awarded to the NCB but filled largely with Australian coal.

Traders read the high price of the British offer as a signal that the board wishes to advertise its continuing presence in the export business, but not just at any price. In any case, the NCB has not much coal available for this year.

The trading community has not by any means written off the UK as an exporter, but it feels British coal will be offered at prices closer to UK internal rates than they have in the past. The likelihood of lower UK production levels and of rising demand from the industrial sector means that exports will have to compete more aggressively with alternative UK home markets.

But as an importer, Britain is seen as an enigma. Last year UK imports doubled to 11.3m tonnes of coal and briquettes. It is now clear that about 3m tonnes of this growth was for coking coal for the British Steel Corporation (BSC) while a similar volume was directed to the industrial and housecoal markets. Some of the BSC imports will be lost this year as Britain's coking coal mines resume operations, although

INTERNATIONAL COAL REPORT SPOT STEAM COAL MARKER PRICE

April 1985	$41-42
March 1985	$41-42
April 1984	$39-39.50

(South African 10,600 Btu/lb, 0.8% sulphur, fob barge Rotterdam)

the corporation now expects to import most of its coking coal.

On the steam coal front, there is something of a hiatus while shippers try to gauge the NCB's ability to supply. Its biggest customer, the Central Electricity Generating Board, has started to take supplies from its Continental stocks of Australian coal, but is otherwise out of the market.

One major coal shipper, Drummond Coal of the U.S., clearly believes there is good business to be done in the UK and is nearing agreement to lease space at the Gladstone dock in Liverpool. Here the port depth of 50 feet is crucial. It is identical to that of Drummond's Mobile export terminal on the U.S. Gulf and use of the Gladstone dock will mean that Drummond can ship directly to the UK without the need for costly transhipment procedure onto 2,000-dwt coasters that characterised much of the 1984 UK-bound traffic.

Drummond is expected to take first deliveries—possibly a 40,000-50,000 tonne cargo—in June. Clearly it is not interested in leasing expensive dock facilities for the odd delivery alone and traders expect Drummond shipments in excess of 500,000 tonnes a year.

Meanwhile in the other big steam coal market, South-east Asia, a breakthrough has been made in year-long negotiations between Japan's Electric Power Development Corporation (EPDC) and the new Queensland mine of Blair Athol. Price and tonnage levels for Blair Athol had been agreed when construction work started on the mine, but EPDC and Japan Coal Development, Blair Athol's major Japanese customers, are now being offered more coal than they require and at far lower prices than the Queenslanders' deal.

The inevitable revision came at the end of last month at A$49 a tonne FOB — down A$2.70 a tonne from contract levels. This settlement has unblocked stalled talks on the 1985-86 contracts between Japanese steam coal buyers nad a number of Australian producers including Buchanan Borehole, Coalex and R. W. Miller. Unlike most coking coal and steam coal agreements with Japan, these contracts are not prived in U.S. dollars and did not benefit from strong dollar rates throughout 1984.

While many of these Australian mining houses will seek to use the new Blair Athol price as a benchmark, their current prices remain more than A$5 adrift at A$42-A$44 a tonne. At current U.S. dollar rates, these Australian prices represent just U.S.$27.7-U.S.$29.0, well under current South African export offers.

Gerard McCloskey is editor of the FT International Coal Report.

Gold loses $9.25 in London on speculative selling

BY JOHN EDWARDS, COMMODITIES EDITOR

SPECULATIVE selling brought a sharp fall in the gold market yesterday. The London gold bullion spot price closed $9.25 down at $311.75 an ounce, the lowest level for five weeks, after coming under selling pressure throughout the day.

The stronger dollar encouraged the decline, which was initiated by a weaker trend in the New York market overnight.

Copper prices were also hit by downturn in New York, attributed to heavy selling by speculative funds. The London market opened on a weak note, and remained subdued in quiet trading conditions with European dealers absent because of the May Day holiday.

The higher grade copper cash price closed £18 down at £1,204 a tonne.

Trading activity in other base metals was at a low ebb, but prices were generally marked up to reflect the decline in the value of sterling against the dollar.

Reuter reported from Vancouver that Cominco mine workers at Trail and Kimberley, British Columbia, voted in favour of giving union negotiators a strike mandate

The previous two-year contract, covering 3,600 production, maintenance and office workers at the lead-zinc operations, expired on April 30.

Mr Ken Georgetti, president of United Steelworkers Local 480, said no strike deadline had for a two-year wage freeze.

"We're really not together on anything yet — monetary, sick leave or pension benefits—but we have made some significant changes in contract language," Mr Georgetti said.

LONDON MARKETS

LEAD

	Unofficial close(p.m.) £ per tonne	+ or —	High/low
Cash	£310.5-11.5	+.5	310
3 months	£305.5-6	+.5	306/4

Official closing (am): Cash £310.5-11 (311-2) three months £305.5-6 (304-.5) settlement £311 (312).
Turnover: 5,225 (7,600) tonnes. U.S. Spot: 20-21 cents per pound.

ZINC

	Unofficial close(p.m.) £ per tonne	+ or —	High/low
Cash	£708-9	+4.5	—
3 months	£704-.5	+3	709/700

Official closing (am): Cash £702-4 (701-2); three month £700-1 (698-9): settlement £704 (702).
+Turnover: 8,325 (7,775) tonnes. U.S. Prime Western: 46.50-47.75 cents per pound.

ALUMINIUM

	Unofficial close(p.m.) £ per tonne	+ or —	High/low
Cash	£911-2	+15	901
3 months	£929-.5	+14.75	930.918.5

Official closing (am): Cash £900.1 (898-9) three months £918.5 (911-.5) settlement £901 (898).
Turnover: 10,575 tonnes.

TIN

High grade	Unofficial close(p.m). £ per tonne	+ or —	High//low for day
Cash	294.00-10	+140	—
3 months	£94.00-10	+160	—

Official closing (am): Cash £9,390-400 (£9,230-5) three months £9,410.20 (£9,190-200) settlement £9,400 (9,235).

Standard			
Cash	£93,95-405	+135	93,90
3 months	£93,80-90	+152.5	94,10/93,00

Official closing (am): Cash £9,390-400 £9,230-5) three months £9,390-400 (£9,190-5) settlement £9,400 (9,235).
Turnover: 1,515 (1,220). Straits tin $m27.80 kilo.

NICKEL

	Unofficial close(p.m.) £ per tonne	+ or —	High/low
Cash	£45.80-90	+50	45.75/44.95
3 months	£45.30-40	+70	45.25/44.50

Official closing (am): Cash £4,490-5 (£4,540-5) three months £4,450-5 (£4,470-80); settlement £4,495 (£4,550).
Turnover: 666 tonnes.

COPPER

Higher grade	Unoffic'l close	+ or —	High/Low
Cash	£1,203-5	—18	1,204
Three m'nths	£1,178-9	—15.7	1,182/1,175

Official closing (am) cash £1,203-5 (£1,228-9); three months £1,178-9 (£1,197.8): settlement £1,229 (£1,205).

Cathodes			
Cash	1,173-5	—17	—
Three m'nths	1173-5	—15	—

Official closing (am): Cash £1,173-5 (£1,192-4) three months £1,173-5 (£1,191-3) settlement £1,194 (1,175).
Turnover: 17,600 (24,950) tonnes. U.S. producer prices 68.50-74.00 cents per lb.
Official closing (am) cash £0,000: three months £00,000: settlement £000,000.
Turnover 0,000,000 (0,000) tonnes. U.S. producer prices 000.000 cents per lb.

MAIN PRICE CHANGES

In tonnes unless otherwise stated

METALS	May 1 1985	+ or —	Month ago
Aluminium	£1100	......	£1100
Free Mkt	$1145/175	—5.0	$1125/145
Copper			
Cash h Grade	£1204.0	—18	£1198.5
3 mths	£1178.5	—16.75	£1207
Gold troy oz	$311.75	—9.25	$319
Lead Cash	£311.0	+0.5	£312
3 mths	£305.75	+0.5	£320.12
Nickel			
Free Mkt	248/278c	+6.0	258/288c
Palladium oz	$111.74	—2.26	$111.50
Platinum oz	$273.25	-11.45	$271.50
Quicksilver†	$280/290		$285/295
Silver troy oz	498.80p	—9.20	530.55p
3 mths	514.10p	—9.40	547.55p
Tin cash	£9400	+135	£9754
3 mths	£9385.0	-152.5	£9754
Tungsten	$77.70	......	$77.70
Wolfram 22 04lb	$70/73	—1.5	$75/78
Zinc	£708.5	+4.5	£804
3 mths	$704.25	+3.0	£739
Producers	$960	......	$925

OILS	May 1 1985	+ or —	Month ago
Coconut (Phil)	$765w	......	$830
Palm Malayan	$070y	+20	$775
SEEDS			
Copra Phil	$480x	......	$500
Soyabean (U.S.)	$244.75	......	‡
GRAINS			
Barley Fut. Sep	£98.85	+0.15	£96.50
Maize	£123.50	—0.65	£151.5
Wheat Fut. July	£124.05	+0.25	£123.35
No. 2 Hard Wint.	‡	......	‡
OTHERS			
Cocoa Ft. July	£1820.5	—16.5	£1962.5
Coffee Ft. July	£2158.5	—2.00	£2262.5
Cotton A Index	66.10c	+0.05	67.60c
Gas Oil May	$216.75	—2.58	$229.0
Rubber (kilo)	66.50p	+0.50	65.0p
Sugar (raw)	$96.00x	......	$112.0
Wooltops 64s	475p	......	482pkil

‡ Unquoted. w April-May. x May-June. z June. y May. † Per 76-lb flask. c Cents a pound.

GOLD

Gold fell $9¼ to $311½-312 on the London bullion market yesterday. It opened at $316-316½, and was fixed at $315.60 in the morning, and $312.50 in the afternoon. The opening level was the high of the day, and the metal drifted down to a low $310½-311 in the afternoon. There was a continuation of Tuesday's selling by U.S. commission houses, with gold falling through various technical support points to touch a five week low. The stronger dollar, despite figures indicating slower economic growth in the rst quarter, encouraged gold's fall.

GOLD BULLION (fine ounce) May 1

Close	$311½-312	(£254¾-255¼)
Opening	$316-316½	(£257-257½)
M'n'g fix.	$315.60	(£256.690)
Aft'n'n fix.	$312.50	(£254.998)

GOLD AND PLATINUM COINS

Kr'g'r'nd	$321¼-321¾	(£263-263½)
½ Krug.	$165½-166	(£135½-136)
¼ Krug.	$84½-85	(£69¼-69½)
1/10 Krug.	$34½-35	(£28¼-28¾)
Mapleleaf	$321¼-321¾	(£263-263½)
New Sov.	$74½-75	(£61-61½)
½New Sov	$44½-45	(£36½-36¾)
Old Sov.	$74½-75	(261-62¼)
$20 Eagle	$450-470	(£352¼-385)
Noble Plat	$277-280½	(227-230)

SILVER

Silver was fixed 9.2p an ounce lower for spot delivery in the London bullion market yesterday at 498.8p. U.S. cent equivalents of the fixing levels were: spot 615c, down 17.2c: three-month 628c, down 17.6c; six-month 642.05c, down 17.85c; and 12-month 673.65c, down 19.1c. The metal opened at 497-500p (611-614c) and closed at 499-502p (610-613c).

SILVER per troy	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	498.80p	—9.20	501.0p	—1.50
3 months	514.10p	—9.40	517.5p	—1.55
6 months	528.75p	—9.19	—	—
12months	557.65p	—9.98	—	—

LME—Turnover: 46 (70) lots of 10,000 oz.

GRAINS

Old crop wheat values dipped in thin trade closing on the days lows the main volume being crossed. Barley also saw little trade closing 45p lower. New crops improved a little on wheat buying interest registering gains of 10-15p on the day, reports Muirpace.

	WHEAT		BARLEY	
Mnth	Yesterd'ys close	+ or —	Yesterdys close	+ or —
May	120.00	—0.70	114.90	+0.45
July	123.50	—0.55	—	
Sept	99.40	+0.10	98.85	+0.15
Nov	102.50	+0.10	102.50	+0.15
Jan	106.15	+0.10	105.80	+0.15
Mar	109.40	+0.10	109.25	+0.15

LONDON GRAINS—Wheat: U.S. Dark northern spring No 1 15 per cent, April/May 156, June 154, July 154.50, Aug 149, Sept 148.50, sellers transhipment East Coast. U.S. No 2 Soft red winter, May 143.60, June 135.50, July 131.75, Aug 132.30, Sep 133.85, sellers. English Feed fob, first half May 124, June 125.50, sellers East Coast. Maize: U.S. No 3 Yellow/French, transhipment East Coast May 150.50. Barley: English Feed fob, May 118.50, Sep 101.50, sellers Scotland. Rest unquoted.

Business done—Wheat: May 120.70-0.00, July 124.10-3.50, Sept 99.45-9.40, Nov 102.50-2.40, Jan 106.20-6.05, Mar 109.50-9.40. Sales: 168 lots of 100 tonnes. Barley: May 115.00-4.95. Sales: 33 lots of 100 tonnes.

HGCA—Locational ex-farm spot prices: Feed Wheat: E Mids 119.20: Feed Barley: E Mids 114.70, N East 114.40, Scotland 114.70. The UK monetary coefficient for the week beginning Monday May 6, will remain unchanged at 0.990.

POTATOES

Nervous short-covering in May, pushing values up by £3.50, was the only feature in an otherwise quiet trading session. Profit-taking trimmed levels in May towards the close to finish £2.20 up on the day. New crop May 1986 was introduced today, currently standing at £6.50, premium to April, and slightly over £30 premium to November, reports Coley and Harper.

Month	Yesterday's close	Previous close	Business Done.
	£ per tonne		
April	—	50.00	—
May	53.20	51.00	54.50-53.20
Nov	69.50	69.10	69.50-69.30
Feb	78.00	77.00	78.00-78.00
Apr	93.40	92.80	93.50-92.50

Sales: 295 (414) lots of 40 tonnes.

FREIGHT FUTURES

Despite an inactive freight market, the biffex opened successfully on a steady note with the highs of the day being achieved in the limited morning session, reports Clarkson Wolff.

Limited activity occurred in the afternoon, with levels easing back towards the days lows. The spot Baltic freight index was one point down at 1,082.

Baltic Freight Index
$10 per full index point

	Close	High Low	Prev.
July	980-985	990-975	—
Oct.	1060-060	1075-050	—
Jan.	1030-060	1130-130	—
April	1050-100	—	—
July	1100-090	—	—
Oct.	1140-110	—	—
Jan.	1140-150	—	—
April	1250-250	1146-146	—

Turnover 000 (000) lots.

INDICES

FINANCIAL TIMES

April 30	April 29	M'th ago	Year ago
295.08	297.05	294.95	305.89

(Base: July 1 1952 = 100)

REUTERS

May 1	Apr. 30	M'th ago	Year ago
1881.5	1884.9	1937.6	1998.8

(Base: September 18 1931 = 100)

MOODY'S

Apr. 30	Apr. 29	M'th ago	Year ago
957.8	957.9	960.1	1066.6

(Base: December 31 1931 = 100)

DOW JONES

Dow Jones	Apr. 30	Apr. 29	Month ago	Year ago
Spot	118.01	118.67	120.54	159.28
Fut.	121.46	123.37	124.25	140.83

(Base: December 31 1974 = 100)

COCOA

Following an easier opening futures met aggressive selling which saw prices trade at the limit down before ralying strongly and closing on a steady note, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
	£ per tonne		
May	1784-1786	—10.0	1801-1786
July	1819-1821	—10.5	1835-1790
Sept.	1803-1805	—8.5	1815-1785
Dec.	1784-1785	—0.5	1787-1760
Mar.	1781-1786	+0.5	1788-1765
May	1789-1791	—3.5	1795-1785
July	1780-1810	—2.5	—

Sales: 5,262 (7,322) lots of 10 tonnes.

ICCO indicator prices (U.S. cents per pound). Daily price for May 1: 95.43 (97.22); 15-day average for May 2: 97.16 (97.62).

SUGAR

LONDON DAILY PRICE—Raw sugar $96.00 (£78.00), unchanged (up 50p) a tonne for May/June delivery. White sugar $132.50, up $0.50.

Sentiment was affected by the delivery of some 34,000 tonnes of Argentine raws (for which quality problems had arisen in the past) against May No 11 and prices slipped back from overnight levels, reports C. Czarnikow.

No. 6 Contract	Yest'day's close	Previous close	Business done
	$ per tonne		
Aug	106.4-106.8	—	107.0-105.8
Oct	110.6-111.0	107.6-107.2	111.2-109.8
Dec	116.0-117.0	111.2-111.8	116.0-116.8
Mar	128.4-128.8	116.2-117.0	128.6-117.6
May	132.8-133.0	128.8-128.0	133.2-132.8
Aug	138.8	133.4	137.0-137.0
Oct	145.0-145.8	137.6-139.0	—

Sales: 834 (1,698) lots of 50 tonnes.

Tate & Lyle delivery price for granulated basis sugar was £185.50 (£185) a tonne for export.

International Sugar Agreement—(U.S. cents per pound fob and stowed Caribbean ports). Prices for April 30: Daily price 3.09 (3.06); 15-day average 3.32 (3.35).

SOYABEAN MEAL

The London market opened unchanged to 50p higher in dull conditions, reports T. G. Roddick. Prices remained steady throughout sessions.

	Yesterday close	+ or —	Business Done
	£ per tonne		
June	125.5-126.5	+1.55	126.5-125.5
August	122.5-123.0	+0.25	122.8-122.8
October	125.8-126.4	+0.30	125.3-125.5
Dec	128.5-129.3	+0.75	129.6-129.4
Feb	134.1-134.8	—0.15	134.0-134.0
Apr	135.2-139.0	—0.05	—
June	135.1-137.5	+0.90	—

Sales: 500 (258) lots of 20 tonnes.

OIL

All grades weakened further but most activity centred on Brent. Nymex opened 28 cents down and was trading around 18 cents down by noon EST. In the petroleum products market, gas oil continued its downward trend amid minimal buying interest and continuing good support, Petroleum Argus, London.

SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)—May		
Arab Light	27.25-27.30*	—0.075
Arab Heavy	26.10-26.20*	—0.075
Dubai	26.05-26.15*	—0.20
Brent Blend	27.00-27.10	—0.20
W.T.I. (1pm est)	27.40-27.50*	—0.075
Forcados (Nigeria)	27.40-27.75	—0.10
Urals (cif Med)	27.00-27.15	—
PRODUCTS—North West Europe Prompt delivery cif ($ per tonne)		
Premium gasoline	284-286	—
Gas Oil	219-221	—
Heavy fuel oil	149-151	—0.5

* June

Petroleum Argus estimates

GAS OIL FUTURES

Month	Yest'day's Close	+ or —	Business Done
	$ U.S. per tonne		
May	222.75	—3.00	225.50-23.00
June	216.75	—2.50	219.00-16.75
July	215.75	—1.75	217.25-15.75
Aug	217.75	—2.08	219.00-17.75
Sep	219.75	—2.75	222.25-21.25
Oct	222.50	—1.00	—
Nov	223.00	—	—

Turnover: 1,871 (1,128) lots of 100 tonnes.

PIGMEAT

Prices rose slightly today due to firmer physical prices and light fresh buying but trade selling stopped any further gains, reports CCST Commodities.

Month	Yesterdays close	Previous close	Business done
	p. per kilo (deadweight)		
June	104.30	103.90	104.40-104.40
Aug	100.70	100.30	101.00-100.70
Oct	106.30	106.00	107.00-106.30
Nov	106.70	106.30	108.00-106.80
Feb	99.80	98.80	100.20-99.80
April	100.00	100.00	100.00-100.00

Sales: 78 (54) lots of 50 carcases, 3,250 kg.

COFFEE

In quiet conditions nearby contracts gradually eased lower from an unchanged opening, reports Drexel Burnham Lambert. Weaker sterling prompted a recovery while a steady New York performance encouraged gains of £5-20 during a slightly more active afternoon.

COFFEE	Yesterd'ys Close	+ or —	Business Done
May	2095-96	—12.5	2106-95
July	2158-59	—02.0	2165-50
Sept.	2196-97	—00.5	2206-93
Nov.	2221-25	+07.5	2239-20
Jan.	2235-39	+07.5	2247-35
March	2210-40	+10.0	2221
May	2190-35	+02.5	—

Sales: 2,217 (2,804) lots of 5 tonnes.

ICO indicator prices (U.S. cents per pound) for April 30: Comp daily 1979 132.85 (132.76): 15-day average 131.56 (131.53).

MEAT

MEAT COMMISSION—Average fatstock prices at representative markets: GB Cattle 97.03p per kg lw (+0.95); GB Sheep 243.19p per kg est dcw (—4.48); GB Pigs 82.00p per kg lw (+4.27).

SMITHFIELD MEAT—Pence per pound. Beef: Scotch killed sides 78.0 to 81.0: English hindquarters 96.0 to 100.0, forequarters 48.0 to 52.0; Ulster forequarters 49.0 to 52.0. Lamb: English small (new season) 118.0 to 125.0, medium (new season) 115.0 to 120.0, heavy (new season) 112.0 to 115.0; Imported: New Zealand PL (new season) 67.0 to 68.0, PX (new season) 65.0 to 66.0. Fat Sheep: English 90.0 to 100.0. Pork: English under 100 lb 49.5 to 58.0, 100-120 lb 50.5 to 55.0, 120-160 lb 41.0 to 46.0.

U.S. MARKETS

PRECIOUS METALS were narrowly mixed with gold under moderate pressure and silver slightly higher, reports Heinold Commodities. After a lower opening gold rallied with the currencies finishing unchanged to lower. Copper traded moderately higher on technically orientated buying. Aluminium edged higher on light short covering. Sugar came under pressure early on dealer selling. Late buying assumed to be fund buying led to a price recovery which carried the market to slightly higher levels. Heating oil declined moderately lower despite a constructive API stock report as crude oil supplies increased and product imports were also stepped up. Coffee improved slightly on dealer and trade buying which overcame arbitrage and local selling. Cocoa traded nominally lower on light origin selling and reports by Ghana that the downward trend in production is being reversed, resulting in higher crop expectations for the new crop this autumn. Cotton moved ahead in the old-crop months on short covering following a certification of 997 bales. Wheat continued under pressure as long liquidation ahead of deliveries on the May future uncovered a total lack of demand for available stocks. Maize was fractionally lower as cash markets continued firmer. Soyabeans were mixed as unwinding of meal versus oil spreads gave the market limited support.

NEW YORK

ALUMINIUM 40,000 lb, cents/lb

	Close	High	Low	Prev
May	48.00	47.95	47.80	47.85
June	48.40	—	—	48.20
July	48.80	48.90	48.40	48.60
Sept	49.60	49.70	49.40	49.40
Dec	50.80	50.65	50.65	50.60
Jan	51.20	—	—	51.00
March	52.00	—	—	51.80
May	52.80	—	—	52.60
July	53.60	—	—	53.40
Sept	54.40	—	—	54.20

COPPER 25,000 lb, cents/lb

	Close	High	Low	Prev
May	61.30	61.40	60.85	60.95
June	61.75	61.70	61.60	61.45
July	62.25	62.40	61.55	61.90
Sept	62.85	63.05	62.15	62.50
Dec	63.30	63.40	62.50	62.90
Jan	63.45	—	—	63.00
March	63.80	63.65	63.00	63.25
May	64.10	63.70	63.60	63.55
July	64.40	64.35	63.65	63.80
Sept	64.70	64.30	64.00	64.05

COTTON 50,000 lb, cents/lb

	Close	High	Low	Prev
May	67.75	67.75	66.78	66.40
July	65.49	65.72	65.10	65.02
Oct	64.90	64.90	64.75	64.76
Dec	64.82	65.00	64.78	64.82
March	65.97	66.05	66.00	65.97
May	66.63	66.65	66.62	66.52
July	67.20	—	—	67.20

ORANGE JUICE 15,000 lb, cents/lb

	Close	High	Low	Prev
May	158.35	159.25	158.10	158.20
Sept	155.20	155.60	154.90	154.90
Nov	152.35	152.80	152.35	152.45
Jan	152.25	152.75	152.25	152.40
March	152.45	152.70	152.25	152.50
May	152.45	—	—	152.50
July	152.45	—	—	152.50

COCOA 10 tonnes, $/tonnes

	Close	High	Low	Prev
May	2373	2375	2323	2357
July	2095	2100	2057	2093
Sept	2059	2059	2025	2054
Dec	2029	2023	2005	2027
March	2028	2028	2000	2027
May	2028	—	—	2027
July	2028	—	—	2027

CRUDE OIL (LIGHT) 42,000 U.S. gallons, $/barrels

	Close	High	Low	Prev
June	27.30	27.52	27.30	27.63
July	26.65	26.95	26.65	27.11
August	26.60	26.76	26.57	26.91
Sept	26.50	26.69	26.50	26.78
Oct	26.45	26.65	26.58	26.75
Nov	26.45	26.67	24.65	26.75
Dec	26.60	26.65	26.60	26.77
Jan	26.45	26.45	26.45	26.77
Feb	25.55	26.55	26.55	26.77
March	26.40	26.40	26.40	26.77

COFFEE "C" 37,000 lb, cents/lb

	Close	High	Low	Prev
May	147.04	147.15	145.00	145.80
July	146.86	146.90	145.15	145.67
Sept	146.63	146.70	145.10	145.56
Dec	145.41	145.50	144.40	144.51
March	144.75	145.00	144.25	144.00
May	144.50	144.50	144.50	143.00
July	143.75	—	—	152.00

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
May	313.5	315.0	315.0	314.5
June	315.3	317.3	312.0	316.5
July	317.3	—	—	318.7
August	319.4	321.2	316.8	320.7
Oct	323.7	325.3	321.5	325.1
Dec	328.4	329.9	326.5	329.9
Feb	333.6	333.5	331.5	335.2
April	338.8	340.0	340.0	340.5
June	344.5	—	—	346.4
August	350.3	—	—	352.3
Oct	356.1	—	—	368.3
Dec	362.5	—	—	364.8
Feb	369.1	369.0	369.0	371.7

HEATING OIL 42,000 U.S. gallons,

	Close	High	Low	Prev
June	71.90	72.26	71.55	72.07
July	70.35	70.56	70.10	70.64
August	71.20	71.20	70.80	71.25
Sept	71.90	72.10	71.80	72.12
Oct	72.80	—	—	73.10
Nov	73.80	—	—	73.90
Dec	75.00	—	—	75.00
Jan	76.00	—	—	76.00
Feb	76.50	—	—	76.50
March	70.00	—	—	69.95

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
May	617.1	622.0	609.0	616.5
June	620.5	620.0	616.0	620.0
July	624.5	630.0	616.0	624.0
Sept	633.5	638.0	625.5	633.0
Dec	648.0	652.0	640.0	648.0
Jan	653.4	646.0	646.0	653.5
March	663.3	668.0	656.0	663.8
May	674.2	—	—	674.8
July	685.8	684.0	684.0	685.6
Sept	698.1	703.0	693.0	699.1

SUGAR WORLD "11" 112,000 lb, cents/lb

	Close	High	Low	Prev
July	3.56	3.57	3.48	3.56
Sept	3.74	3.74	3.66	3.74
Oct	3.87	3.88	3.81	3.89
Jan	4.20	4.20	4.18	4.27
March	4.66	4.69	4.62	4.71
May	4.87	4.88	4.84	4.94
July	5.08	5.09	5.04	5.12
Sept	5.38	—	—	5.30
Oct	5.45	—	—	—

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
May	—	—	—	286.6
June	270.2	271.5	271.5	271.2
July	272.2	275.0	289.0	273.2
Oct	277.0	279.0	274.5	278.9
Jan	283.0	284.5	282.5	284.0
April	289.5	291.5	288.0	290.5

CHICAGO

LIVE CATTLE 40,000 lb, cents/lb

	Close	High	Low	Prev
June	62.45	62.50	61.92	62.65
August	63.95	64.00	63.40	63.87
Oct	62.85	62.87	62.35	62.65
Dec	64.10	64.12	63.65	63.97
Feb	64.70	64.70	64.30	64.62
April	65.85	65.85	65.50	—

LIVE HOGS 30,000 lb, cents/lb

	Close	High	Low	Prev
June	46.00	46.30	45.72	46.30
July	48.95	49.30	48.65	49.22
August	49.80	49.95	49.50	49.90
Oct	47.05	47.15	46.75	47.17
Dec	48.40	48.40	48.05	48.42
Feb	49.15	49.20	48.80	49.00
April	46.25	46.35	46.00	—
June	48.47	49.47	48.15	49.70
July	48.90	48.90	48.90	49.00

MAIZE 5,000 bu min, cents/56-lb bushel

	Close	High	Low	Prev
May	282.5	284.0	282.2	283.2
July	278.6	279.6	278.4	279.6
Sept	269.2	269.4	268.4	270.0
Dec	264.0	264.2	263.0	264.2
March	272.2	272.4	271.2	272.6
May	277.6	277.6	277.0	279.0
July	279.4	279.8	278.4	280.4

PORK BELLIES 38,000 lb, cents/lb

	Close	High	Low	Prev
May	—	65.35	64.50	65.65
July	—	66.80	65.85	66.85
August	—	66.00	64.90	65.95
Feb	—	79.20	71.90	73.10
March	—	72.80	71.90	73.32
May	—	74.00	73.30	73.70
July	—	—	73.00	74.25
August	—	70.50	—	—

SOYABEANS 5,000 bu min, cents/60-lb bushel

	Close	High	Low	Prev
May	589.2	590.6	585.2	588.0
July	595.2	597.0	592.0	594.4
August	597.2	599.4	594.4	597.2
Sept	598.2	600.4	597.0	598.6
Nov	606.0	609.0	604.6	607.2
Jan	616.6	619.4	615.4	617.6
March	627.0	630.0	627.0	629.0
May	634.4	637.0	634.4	636.4
July	640.0	—	—	645.0

SOYABEAN MEAL 100 tons, $/ton

	Close	High	Low	Prev
May	123.4	123.7	119.5	120.5
July	129.3	130.0	125.4	126.6
August	132.3	132.5	128.4	129.6
Sept	135.0	135.5	131.3	132.1
Oct	138.0	138.3	134.0	135.4
Dec	143.1	143.5	139.5	140.8
Jan	145.0	146.5	142.2	143.2
March	149.5	150.5	147.5	148.7
May	153.5	—	—	152.8
July	157.5	—	—	156.8

SOYABEAN OIL 60,000 lb, cents/lb

	Close	High	Low	Prev
May	32.12	33.00	32.05	32.53
July	30.78	31.75	30.75	31.45
August	30.06	30.90	30.01	30.67
Sept	29.20	30.10	29.25	29.83
Oct	28.50	29.25	28.50	29.05
Dec	27.79	28.50	27.73	28.32
Jan	27.53	28.15	27.50	28.05
March	27.35	27.80	27.36	27.70
May	27.25	27.45	27.25	27.20

WHEAT 5,000 bu min, cents/60-lb bushel

	Close	High	Low	Prev
May	345.2	349.4	343.4	349.0
July	325.2	327.6	324.4	327.0
Sept	325.2	327.2	325.0	327.2
Dec	335.4	337.2	335.0	337.2
March	340.2	—	—	341.5
May	337.4	338.2	337.4	338.2

OTHER MARKETS

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. May 640.0, 650.0, 643.0-643.0; July 651.0, 657.0, nil; Oct 640.0, 602.0, 641.0-640.0; Dec 641.0, 643.0, 642.0-641.0; March 646.0, 648.0, 650.0-646.0; May 653.0, 659.0, 657.0-656.0; July 655.0, 659.0, 660.0-660.0; Oct 633.0, 645.0, nil. Sales: 89.

LONDON NEW ZEALAND CROSS-BREDS—Close (in order; buyer, seller, business). New Zealand cents per kg. May 512, 515, 513; Aug 530, 533, 532-531; Oct 533, 535, 534; Dec 534, 537, nil; Jan 538, 538, nil; Mar 545, 546, 546; May 551, 552, 552; Aug 565, 566, 566; Oct 565, 567, nil. Sales: 16.

HIDES

HIDES—Leeds. Second clears. Ox: 31-35.5 kg, 104.3p a kg withdrawn (106.3p); 26-30.5 kg, 111.5p a kg withdrawn (113.1p); 22-25.5 kg 123.2p a kg withdrawn (127.1p). Cows: 25.5 kg 122.0p a kg withdrawn (127.1p).

COTTON

Spot and shipment sales in Liverpool amounted to 253 tonnes bringing the total for the week so far to 667 tonnes. Mixed operations indicated some freer involvement among spinners. Activity centred on Central American, West African and Middle Eastern supplies.

RUBBER

PHYSICALS—Closing prices (buyers) spot 68.50p (68.00p). June 69.00p (68.50p), July 69.50p (60.00p). The London Market did not trade due to a public holiday in Malaya and Singapore.

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar recovers in thin trade

Foreign exchange trading was restricted yesterday by the shut down of most of Europe for May Day. The dollar opened firm and continued to advance, underpinned by stop loss buying orders on the Chicago futures market. *This follows the foreign* exchange market's recent rejection of data showing a marked slow down in U.S. economic growth. It is anticipated that low growth in the first quarter will be countered by much higher figures during the present quarter and possibly beyond, if the Administration's forecast of 4 per cent growth this year is to be met. Ths implies that *interest rates will not fall*, while today's weekly M1 money supply figure is expected to show a strong rise. The market has therefore put to one side Tuesday's surprising fall of 0.2 per cent in leading indicators and yesterday's rise of only 0.1 per cent in March construction spending, against expectations of an increase in the region of 1 per cent.

The dollar rose to DM 3.1475 from DM 3.0975; FFr 9.59 from FFr 9.44; SwFr 2.6375 from SwFr 2.5975; and Y252.75 from Y251.50. On Bank of England figures the dollar index rose to 148.0 from 146.7.

STERLING — Trading range against the dollar in 1985 is 1.2940 to 1.0525. April average 1.2414. The exchange rate index fell 0.4 to 77.7. It opened at 77.8 and improved slowly to a peak of 78.0 at 1 pm, before sliding to a low of 77.6 at 3 pm.

Sterling lost ground to the stronger dollar, and was fairly volatile against Continental currencies in the absence of any major trading in the rest of Europe. The pound fell 1.90 cents to $1.2230-1.2240, and also declined to DM 3.85 from DM 3.8525; FFr 11.71 from FFr 11.7150; and Y309 from Y312.75, *but was unchanged at* SwFr 3.23. Sterling was stronger against currencies, other than the dollar, around noon, but fell back quite sharply at mid-afternoon, before recovering near the close.

JAPANESE YEN — Trading range against the dollar in 1985 is 263.15 to 247.10. April average 251.45. Exchange rate index 155.4 against 156.2 six months ago.

The yen eased against the dollar in quiet Tokyo trading. The U.S. currency rose to Y252.50 from Y251.40, after opening at Y252.25. Soon after the market opened the dollar touched the day's low of Y252.20, but then recovered on short covering. The trading range was very narrow, with the dollar rising to a peak of Y252.55 near the close. Volume was restricted by the closure of Singapore

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu central rates	Currency amounts against Ecu April 30	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.9008	45.0320	+0.29	+0.40	±1.5471
Danish Krone ...	8.14104	8.07752	−0.78	−0.67	±1.6419
German D-Mark	2.24184	2.23512	−0.30	−0.19	±1.1475
French Franc ...	6.87456	6.81764	−0.83	−0.72	±1.3669
Dutch Guilder...	2.52595	2.53353	+0.30	+0.41	±1.5171
Irish Punt	0.72569	0.714631	−1.52	−1.41	±1.6673
Italian Lira	1403.49	1429.73	+1.87	+1.87	±4.0410

Changes are for Ecu, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

STERLING INDEX

	May 1	Previous
8.30 am	77.8	78.0
9.00 am	77.8	78.1
10.00 am	77.9	78.0
11.00 am	77.9	78.0
Noon	77.9	78.2
1.00 pm	78.0	78.3
2.00 pm	77.8	77.9
3.00 pm	77.6	78.2
4.00 pm	77.7	78.1

£ IN NEW YORK

	May 1	prev. close
£ Spot	$1.2265-1.2275	$1.2340-1.2350
1 month	0.46-0.44pm	0.47-0.45pm
3 months	1.25-1.20pm	1.17-1.14pm
12 months	2.60-2.45pm	2.55-2.45pm

Forward premiums and discounts apply to the U.S. dollar.

DOLLAR SPOT—FORWARD AGAINST DOLLAR

May 1	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.2170-1.2325	1.2230-1.2240	0.46-0.43c pm	4.36	1.25-1.20pm	4.00
Ireland†	0.9915-1.0000	0.9965-0.9980	0.36-0.26c pm	3.74	1.00-0.70pm	3.42
Canada	1.3670-1.3690	1.3680-1.3690	0.13-0.17c dis	−1.32	0.39-0.44dis	−1.21
Nethlnd.	3.5340-3.5640	3.5565-3.5575	0.41-0.38c pm	1.33	1.50-1.47pm	1.67
Belgium	—	63.25-63.35	6-7c dis	−1.25	15-17dis	−1.03
Denmark	11.28½-11.38¾	11.37¼-11.37¾	½-1ore dis	−0.80	2-2½dis	−0.80
W. Ger.	3.1255-3.1500	3.1470-3.1480	0.71-0.66pf pm	2.66	2.28-2.23pm	2.91
Portugal	175-177	175-177	175-475c dis	−22.16	550-1350dis	−21.59
Spain	174½-176	175¼-175½	67-75c dis	−4.86	225-255dis	−5.48
Italy	—	2,005-2,006	7-7½ lire dis	−4.41	22-22½dis	−4.53
Norway	—	9.03¼-9.03¾	3½-3¾ore dis	−4.66	9¼-9¾dis	−4.22
France	9.55-9.59½	9.58¾-9.59¼	1.50-1.60c dis	−1.97	4.10-4.40dis	−1.80
Sweden	—	9.10¼-9.10¾	3½-4¼ore dis	−5.30	10½-11¼dis	−4.97
Japan	252.35-252.95	252.70-252.80	0.71-0.66y pm	3.26	1.55-1.50pm	2.42
Austria	—	22.00-22.05	4-3gro pm	1.93	26-21pm	4.32
Switz.	2.6185-2.6390	2.6370-2.6380	0.78-0.72c pm	3.47	2.34-2.28pm	3.56

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 63.45-63.55.

POUND SPOT—FORWARD AGAINST POUND

May 1	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.2170-1.2325	1.2230-1.2240	0.46-0.43c pm	4.36	1.25-1.20pm	4.00
Canada	1.6700-1.6795	1.6715-1.6755	0.48-0.38c pm	3.08	1.24-1.10pm	2.80
Nethlnd	4.33-4.36	4.34½-4.35½	2¼-2c pm	5.86	6¾-6pm	5.53
Belgium	77.02-77.80	77.35-77.45	26-21c pm	3.64	70-61pm	3.39
Denmark	13.87¼-13.92¼	13.87½-13.88½	4¼-3¼ore pm	3.62	10¾-8¼pm	2.79
Ireland	1.2240-1.2315	1.2255-1.2265	0.16p pm-par	0.78	0.41pm-.02d	−0.64
W. Ger.	3.82¾-3.85¾	3.84½-3.85½	2½-2¼pf pm	7.21	6¾-6½pm	6.82
Portugal	212½-217½	213½-217½	130-510c dis	−17.82	480-1455dis	−17.77
Spain	214¾-215¾	214¾-215¾	par-30c dis	−0.84	61-115dis	−1.64
Italy	2.445-2.465¼	2.449½-2.450½	3 lire pm-par	0.73	1pm-4dis	−0.24
Norway	11.01¼-11.15¼	11.04½-11.05½	par-½ore dis	−0.41	½-1½dis	−0.43
France	11.62¼-11.79	11.70½-11.71½	2¼-2¼c pm	2.43	7-6pm	2.22
Sweden	11.04-11.21¼	11.13-11.14	½-1¼ore dis	−1.01	3½-3¾dis	−1.26
Austria	26.85-27.20	27.02-27.12	1.80-1.69y pm	6.78	4.95-4.78pm	6.30
Japan	307½-311¼	308½-309½	15½-13¼gro pm	6.34	41½-36¼pm	5.74
Switz.	3.20-3.24	3.22½-3.23½	2½-2c pm	7.66	6¾-6pm	7.51

Belgian rate is for convertible francs. Financial franc 77.65-77.75†. Six-month forward dollar 2.05-2.00c pm. 12-month 2.55-2.40c pm.
† Correction (April 30): Belgian franc (financial) was 77.60-77.70.

OTHER CURRENCIES

May 1	£	$		£ Note Rates
Argentina Peso..	550.00-551.17	448.25-448.65	Austria	26.60-27.20
Australia Dollar.	1.8870-1.8950	1.5455-1.5490	Belgium	77.00-78.00
Brazil Cruzeiro...	6,086-6,116	4,960-4,980	Denmark.........	13.82-13.96
Finland Markka.	7.9985-8.0330	6.4630-6.4650	France	11.67-11.78
Greek Drachma.	165.24-169.95	134.89-138.62	Germany.........	3.83-3.86
HongKong Dollar	9.5105-9.5205	7.7825-7.7845	Italy	2435-2470
Iran Rial.........	115.60*	93.00*	Japan.........	309-312
KuwaitDinar(KD)	0.3593-0.3699	0.30275-0.30285	Netherlands......	4.33-4.37
Luxembourg Fr	77.35-77.45	63.25-63.35	Norway.........	10.95-11.06
Malaysia Dollar..	3.0240-3.0310	2.4750-2.4800	Portugal.........	210-222
New Zealand Dlr.	2.6900-2.7200	2.2000-2.2075	Spain.........	207-216
Saudi Arab Riyal	4.0454-4.4112	3.6110-3.6113	Sweden.........	11.01-11.12
Singapore Dollar	2.7165-2.7250	2.2225-2.2275	Switzerland......	3.20-3.23
Sth African Rand	2.4035-2.4210	1.9685-1.9725	United States......	1.22-1.24
U.A.E. Dirham...	4.4798-4.4865	3.6720-3.6730	Yugoslavia......	295-330

* Selling rate.

CURRENCY MOVEMENTS

May 1	Bank of England Index	Morgan Guaranty Change %
Sterling	77.7	−11.9
U.S. dollar.........	148.0	+32.8
Canadian dollar....	88.5	−6.6
Austrian schilling.	111.4	+3.9
Belgian franc......	88.8	−10.8
Danish Kroner......	76.4	−6.1
Deutsche mark......	121.0	+6.3
Swiss franc.........	138.4	+7.7
Guilder.........	111.1	+2.6
French franc......	64.6	−16.7
Lira.........	45.0	−17.2
Yen.........	155.4	+11.7

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (base average 1975=100).

CURRENCY RATES

May 1	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.802607	N/A
U.S. $.........	8	0.986083	N/A
Canadian $.	10.02	*	N/A
Austria Sch.	4½	N/A	N/A
Belgian Fr...	11	N/A	N/A
Danish Kr...	7	11.1748	N/A
Dmark	4½	N/A	N/A
Guilder	5½	3.49271	N/A
French Fr...	9½	N/A	N/A
Lira.........	15½	N/A	N/A
Yen.........	5	248.838	N/A
Norway Kr..	8	N/A	N/A
Span'h Pta..	—	N/A	N/A
Swedish K..	9	N/A	N/A
Swiss Fr......	4	N/A	N/A
Greek Dr'ch	20½	N/A	N/A
Irish Punt...	12¾	0.990043	N/A

* CS/SDR rate for April 30: 1.35404.

EXCHANGE CROSS RATES

May 1	Pound St'rling	U.S. Dollar	Deutschem'k	J'panese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.224	3.850	309.0	11.71	3.638	4.350	2450.	1.674	77.40
U.S. Dollar	0.817	1.	3.148	252.8	9.590	2.598	3.558	2006.	1.368	63.30
Deutschemark	0.260	0.328	1.	80.26	3.042	0.839	1.130	636.4	0.435	20.10
Japanese Yen 1,000	3.236	3.950	12.46	1000.	37.90	10.45	14.08	7929.	5.416	250.5
French Franc 10	0.854	1.045	3.288	263.9	10.	2.758	3.715	2092.	1.429	66.10
Swiss Franc	0.310	0.379	1.192	95.67	3.625	1.	1.347	758.5	0.518	23.96
Dutch Guilder	0.230	0.281	0.885	71.05	2.692	0.743	1.	563.2	0.385	17.79
Italian Lira 1000	0.408	0.499	1.571	126.1	4.780	1.318	1.776	1000.	0.683	31.52
Canadian Dollar	0.598	0.731	2.301	184.6	6.997	1.930	2.599	1464.	1.	46.25
Belgian Franc 100	1.292	1.581	4.974	399.2	15.13	4.175	5.620	3165.	2.162	100.

EURO-CURRENCY INTEREST RATES (Market closing rates)

May 1	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Krone
Short-term	12¾-12⅞	8⅝-8⅞	9-9½	7-7⅛	—	—	—	10-11⅛	8½-9	9-9¼	6⅛-6⅜	7⅝-8¼
7 day's notice	12¾-12⅞	8⅝-8⅞	8⅝-9⅛	7-7⅛	2⅛-2¼	5⅝-5¾	—	12-13	8½-9	9-9½	6⅛-6¼	8¼-8¾
Month	12⅞-12⅞	8⅜-8½	9⅛-9¾	7-7⅛	4⅞-5	5⅝-5¾	10¼-10½	12⅛-12⅝	9-9½	9½-9¾	6⅛-6¼	9-9½
Three months	12⅝-12¾	8⅝-8¾	9¾-10	7-7⅛	5⅛-5⅜	5¾-5⅞	10⅜-10⅝	12¾-13¼	9¼-9¾	9⅝-9⅞	6⅛-6⅜	9⅝-9⅞
Six months.........	12⅛-12⅜	8⅞-9⅛	10¼-10½	7-7⅛	5⅛-5⅜	5½-5⅞	10⅝-10⅞	13¾-14⅛	9½-10	9⅝-9⅞	6⅛-6⅜	9¾-10¼
One year	12⅛-12¼	9⅝-9¾	10⅝-10⅞	7-7⅛	5⅛-5⅜	6⅛-5⅜	19⅞-11⅛	14⅜-14¾	9¾-10¼	10-10¼	6⅛-6⅜	10¼-10¾

Asian $ (closing rates in Singapore): Short-term 8⅜-8½ per cent; seven days 8⅜-8½ per cent; one month 8⅜-8½ per cent; three months 8⅝-8¾ per cent; six months 9⅛-9¼ per cent; one year 9¾-9⅞ per cent. Long-term Eurodollars; two years 10½-10¾ per cent; three years 10⅞-11⅛ per cent; four years 11¼-11½ per cent; five years 11½-11⅞ per cent nominal. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.

MONEY MARKETS

UK rates slightly firmer

Interest rates were slightly higher where changed in London yesterday in rather quiet trading. Some periods were marked up in relation to sterling's weaker trend and growing fears that U.S. interest rates may move firmer later this year. Three-month eligible bank bills were bid at 12 per cent, little changed from 12-12 1/32 per cent on Tuesday while three-month interbank money finished at 12⅞-12¾ per cent unchanged from Tuesday. In the longer dates one year sterling certificates of deposit were quoted at 11⅞ per cent up from 11 13/16 per cent.

UK clearing banks base lending rate 12½-12¾ per cent since April 19

The Bank of England forecast a shortage of around £1,150m with factors affecting the market including maturing assistance and a take up of Treasury bills together draining £662m and the unwinding of previous sale and repurchase agreements a further £300m. Exchequer transactions drained £50m and there was a rise in the note circulation of £90m.

To help alleviate the shortage the Bank offered an early round of assistance which totalled £728m and comprised purchases of £8m of local authority bills and £92m of eligible bank bills in band 1 (up to 14 days) at 12⅞ per cent and in band 2 (15-33 days), £1m of Treasury bills, £5m of local authority bills and £247m of eligible bank bills all at 12¾ per cent. *In band 3 (34-63 days) it bought £4m of Treasury bills and £68m of eligible* bank bills at 12¾ per cent. It also arranged sale and repurchase agreements on £303m of bills at 12¾ per cent, unwinding on May 30.

The Bank gave additonal help in the morning of £360m. This comprised purchases of £1m of *eligible bank bills in band 1 at* 12⅞ per cent, £27m in band 2 at 12¾ per cent, £27m in band 3 at 12¾ per cent and in band 4 (64-91 days) £1m of Treasury bills and £5m of eligible bank bills at 12 per cent. It also arranged sale and repurchase agreements on £299m of bills at 12¾ per cent, unwinding on May 30. Total help was £1,088m *and there was no further assistance by the Bank in the after*noon.

LONDON MONEY RATES

Discount Houses Deposit and Bill Rates

May 1 1985	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight.........	—	10½-13½	12¾-12⅞	12-13¼	11-12⅞	—	—	—	—	—
2 days notice ...	—	—	12⅞	—	—	—	—	—	—	—
7 days or.........	—	—	—	—	—	—	—	—	—	—
7 days notice ...	—	12¾-13	12⅞	13-13⅛	12¾	—	—	—	—	—
One month.........	12⅞-12¾	12⅞-12⅞	12⅞	13	12½	12 1/32	12¼	12 7/32	12¼	12⅞
Two months......	12¾-12⅝	12⅞-12¾	12¾	13	12⅜	12	11⅞	12⅛	12⅛	12¾
Three months.....	12½-12⅜	12⅝-12¾	12⅞	12⅞	11⅞	11⅞	11⅞	12	11⅞	12⅝
Six months.........	12⅛-12	12⅛-12⅛	12⅛	—	—	—	—	11⅞	11⅞	12⅜
Nine months	12-11⅞	12¼-12⅛	—	—	—	—	—	—	—	—
One year.........	11⅞-11⅞	12⅛-12¼	12⅛	—	—	—	—	—	—	—

MONEY RATES

May 1	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight.........	5.90-6.00	10¼	2⅜-2⅝	7⅛-7⅜	6.09375	15¼-15⅝	8.00	12¾-13
One month.........	5.75-6.00	10 1/16-10 3/16	5⅛-5⅜	7-7⅛	6.21875	14¾-15⅛	9¼-9 7/16	12⅞-13⅛
Two months.........	5.75-5.90	10 3/16-10 5/16	—	—	—	—	—	12⅞-13⅛
Three months	5.85-6.00	10 5/16-10 7/16	5⅛-5⅜	7-7⅛	6.28125	15-15⅜	9⅜-9⅝	12¾-13
Six months.........	5.95-6.10	10⅜-10½	—	7-7⅛	—	—	9⅝-9⅞	12⅝-12⅞
Lombard.........	6.0	—	—	—	—	—	—	—
Intervervention	—	11⅛	—	6⅞	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month.........	13⅛-13⅛	—	12¾	8.25-8.35	8⅛-8⅜	9⅛-9⅜
Two months	13¼-12⅞	—	12¾	8.35-8.45	8⅜-8⅝	9⅛-9⅝
Three months......	13-12⅝	—	12⅞	8.4-8.5	8⅝-8⅞	9⅜-9⅝
Six months.........	12⅞-12½	—	12½	8.8-8.9	8⅞-8¾	9⅝-9⅞
Nine months......	12¾-12⅝	—	12⅜	9.3-9.4	—	—
One year	12⅝-12¼	—	12¼	9.5-9.6	8⅞-9⅛	9⅞-10
Two years.........	—	11⅞	—	—	—	—
Three years......	—	11⅛	—	—	—	—
Four years.........	—	11⅜	—	—	—	—
Five years.........	—	11⅞	—	—	—	—

ECGD Fixed Rate Export Finance IV: Average Rate of Interest period March 6 to April 2 (inclusive): 13.618 per cent. Local authorities and finance *houses seven days' notice, others seven days' fixed. Finance Houses Base* Rate (published by the Finance Houses Association): 13½ per cent from May 1, 1985. London and Scottish Clearing Bank Rates for lending 12½-12¾ per cent. Bank Deposit Rates for sums at seven days' notice 6.65-7.25 per cent (net). Treasury Bills: Average tender rates of discount 11.9029 per cent. Certificates of Tax Deposit (Series 6): Deposits £100,000 and over held under one month 13 per cent; one-three months 12¾ per cent; three-six months 12½ per cent; six-nine months 12 per cent; nine-12 months 11¾ per cent. Under £100,000 11½ per cent from May 1. Deposits held under Series 5 11¾ per cent. The rate for all deposits withdrawn for cash 8 per cent.

FT LONDON INTERBANK FIXING

(11.00 a.m. May 1)

Three months U.S. dollars	
bid 8 5/8	offer 8 3/4

Six months U.S. dollars	
bid 9	offer 9 1/8

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK (Lunchtime)

Prime rate	10½
Broker loan rate	9⅝
Fed funds	8 11/16
Fed funds at intervention ...	8 11/16

Treasury Bills

One month	7.20
Two month	7.36
Three month	7.80
Six month	8.06
One year	8.25

Treasury Bonds

Two year	99 27/32
Three year	100 3/32
Four year	102 3/32
Five year	102 1/32
Seven year	102 20/32
10 year	99 11/32
30 year	98 11/32

FINANCIAL FUTURES

Quiet trading

Trading slowed considerably in the London International Financial Futures Exchange yesterday, reflecting the closure of much of Europe and Singapore. Consequently prices tended to fluctuate within a fairly narrow range in the absence of any new incentives.

Euro-dollar prices opened down from Tuesday's closing levels, reflecting a firmer cash market. The latest U.S. Federal refunding package had been much in line with expectations. Initial selling pushed values to the day's lows and volume petered out until the opening of Chicago. Euro-dollar rates had shown an easier tone but Federal funds came in much higher than expected. Despite the higher Fed funds, values in the futures market rallied, suggesting that covering of a few short positions may have moved rates in this trading. Also the U.S. authorities announced repurchase agreements to increase liquidity somewhat earlier than usual.

Gilts and short sterling contracts reflects the fortunes of sterling. Consequently both finished lower on the day as the pound broke below $1.22 against the dollar. Gilt contracts attracted very little business and remained stuck in a relatively narrow range.

LONDON

THREE-MONTH EURODOLLAR
$1m points of 100%

	Close	High	Low	Prev
June	91.14	91.15	90.99	91.07
Sept	90.41	90.44	90.24	90.32
Dec	89.88	89.90	89.73	89.79
March	89.44	89.34	89.28	89.34
June	89.07	88.92	88.91	88.97

Estimated volume 5,057 (6,926)
Previous day's open int 18,496 (18,420)

THREE-MONTH STERLING
£500,000 points of 100%

	Close	High	Low	Prev
June	87.63	87.70	87.62	87.74
Sept	88.44	88.48	88.40	88.50
Dec	88.77	88.80	88.75	88.82
March	88.89	88.90	88.83	88.90
June	88.89	88.91	88.90	88.92

Estimated volume 1,880 (2,710)
Previous day's open int 6,851 (7,004)

20-YEAR 12% NOTIONAL GILT
£50,000 32nds of 100%

	Close	High	Low	Prev
June	106-09	106-14	106-06	106-15
Sept	109-25	—	—	109-23
Dec	109-31	—	—	109-29
March	109-19	—	—	109-17

Estimated volume 1,577 (3,010)
Previous day's open int 3,413 (3,479)
Basis quote (clean cash price of 13¾% Treasury 2003 less equivalent price of near futures contract) −24 to −12 (32nds).

STERLING £25,000 $ per £

	Close	High	Low	Prev
June	1.2160	1.2270	1.2135	1.2335
Sept	1.2060	1.2103	1.2050	1.2240
Dec	1.2005	—	—	1.2190

Estimated volume 77 (168)
Previous day's open int 9,653 (9,628)

DEUTSCHE MARKS
DM 125,000 $ per DM

	Close	High	Low	Prev
June	0.3190	0.3204	0.3183	0.3238
Sept	0.3214	—	—	0.3261

Estimated volume 62 (39)
Previous day's open int 263 (257)

SWISS FRANCS
SwFr 125,000 $ per SwFr

	Close	High	Low	Prev
June	0.3808	—	—	0.3883

Estimated volume nil (nil)
Previous day's open int 147 (147)

JAPANESE YEN Y12.5m $ per Y100

	Close	High	Low	Prev
June	0.3963	—	—	0.3987
Sept	0.3989	—	—	0.4013

Estimated volume nil (nil)
Previous day's open int 158 (158)

FT-SE 100 INDEX
£25 per full index point

	Close	High	Low	Prev
June	129.65	129.65	128.55	128.65
Sept	130.25	128.75	129.75	129.25

Estimated volume 215 (183)
Previous day's open int 1,140 (1,109)

U.S. TREASURY BONDS
8% $100,000 32nds of 100%

	Close	High	Low	Prev
June	71-02	71-06	70-21	70-25
Sept	70-00	69-29	69-29	69-23

Estimated volume 1,167 (1,931)
Previous day's open int 2,932 (2,890)

CHICAGO

U.S. TREASURY BONDS (CBT)
8% $100,000 32nds of 100%

	Latest	High	Low	Prev
June	71-00	71-04	70-21	70-24
Sept	69-31	70-03	69-20	69-23
Dec	69-02	69-04	68-23	68-26
March	68-08	68-09	68-08	68-00
June	67-17	67-18	67-12	67-10
Sept	66-29	66-30	66-24	66-22
Dec	—	—	—	66-04
March	—	—	—	65-20
June	—	—	—	65-06
Sept	—	—	—	—
Dec	—	—	—	64-15

U.S. TREASURY BILLS (IMM)
$1m points of 100%

	Latest	High	Low	Prev
June	92.04	92.06	91.98	92.01
Sept	91.54	91.58	91.46	91.48
Dec	91.09	91.11	90.99	91.03
March	90.71	90.72	90.65	90.66
June	90.39	90.39	90.38	90.37
Sept	90.12	90.12	90.09	90.10
Dec	89.89	89.89	—	89.87
March	89.68	89.68	—	89.67

CERT DEPOSIT (IMM)
$1m points of 100%

	Latest	High	Low	Prev
June	91.49	91.50	91.39	91.43
Sept	90.78	90.80	90.66	90.71
Dec	90.23	90.25	90.20	90.16
March	89.78	89.79	89.68	89.71

THREE-MONTH EURODOLLAR (IMM)
$1m points of 100%

	Latest	High	Low	Prev
June	91.11	91.13	91.00	91.06
Sept	90.39	90.40	90.26	90.29
Dec	89.85	89.87	89.73	89.75
March	89.41	89.41	89.30	89.31
June	89.03	89.03	88.93	88.94
Sept	88.68	88.68	88.66	88.62
Dec	88.40	88.40	—	88.34
March	88.14	88.14	—	88.08

STERLING (IMM) $e per £

	Latest	High	Low	Prev
June	1.2150	1.2220	1.2100	1.2245
Sept	1.2060	1.2120	1.2000	1.2155
Dec	1.2010	1.2070	1.1980	1.2110
March	—	—	—	1.2265
June	—	—	—	1.2215
Sept	—	—	—	1.2505

GNMA (CBT)
8% $100,000 32nds of 100%

	Latest	High	Low	Prev
June	69-29	69-30	69-21	69-23
Sept	69-06	69-06	69-03	69-00
Dec	—	—	—	68-12
March	—	—	—	—
June	—	—	—	67-11
Sept	—	—	—	66-29

Art Galleries

Clubs

Legal Notices

IN THE MATTER OF
ARMATRADING LIMITED
AND IN THE MATTER OF THE
COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 24th day of July 1985, to send in their full Christian and Surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned

SURJIT KUMAR SINGLA, F.C.A.
of Singla & Co.,
Chartered Accountants,
of New Broad Street House,
35 New Broad Street,
London, EC2M 1NH

the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

DATED this 24th day of April, 1985

S. K. SINGLA, F.C.A.
Liquidator

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for May 1.

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amex Credit 12⅝ 88	150	103⅜	103⅞	+0¼	0	11.24
Austria Rep 13⅝ 92	100	108⅝	109⅛	+0¼	−0⅜	11.71
Bank Of Tokyo 12⅝ 92	100	† 101½	102	+0⅜	−1	12.20
Bank of Tokyo 13⅝ 91	100	107	107½	+0½	−0⅜	11.87
BP Capital 11⅛ 92	150	97⅜	97⅞	+0¼	−1	11.68
Caisse Nat Tele 13¾ 91	100	108	108½	+0½	0	11.77
Canada 11½ 90	500	101¾	102¼	+0½	−0¼	10.93
Canadian Pac 12½ 89	75	102⅝	103⅛	+0⅛	−0⅛	12.06
CBS Inc 11⅜ 92	100	97¾	98¼	+0¼	−0¾	11.76
Chevron U.S.A. 12¼ 89	600	102	102½	+0¼	−0⅜	11.53
Coca Cola 11¾ 91	100	102⅞	103⅜	+0⅛	0	11.01
Denmark Kindom 11½ 92	100	98⅛	98⅝	+0⅜	0	11.85
Denmark Kingdom 13¼ 91	100	104⅝	105⅛	+0⅝	−0⅞	12.07
Denmark 13⅞ 88 XW	100	105⅛	105⅝	+0½	−0⅛	11.38
Denmark Kingdom 14 91	100	108	108½	+0⅛	0	12.01
E.E.C. 11⅛ 90	100	98¾	99¼	+0⅛	−0⅛	11.38

U.S. DOLLAR STRAIGHTS (cont.)	Issued	Bid	Offer	Change on day
Royal Bk Can 12¾ 92 XW	100	† 101	101½	−0¾
Saskatchewan 10 3/4 92	100	95⅝	96⅛	+0⅛
Saskatchewan 11 7/8 89	100	101½	102	+0⅛
S.N.C.F. 12⅞ 92 XW	100	100½	101	+0⅛
Statoil 13½ 89	100	107¼	107¾	+0¼
S Wales Trsy 11¾ 90	150	100⅞	101⅜	+0¼
Swed Exp Cred 12¾ 89XW	100	103⅝	104⅛	+0⅝
Sweden Kingdom 11½ 89	200	100⅜	100⅞	+0⅜
Sweden Kingdom 11¾ 94	100	99⅜	99⅞	+0⅝
Texaco Capital 12⅞ 87	300	103	103½	+0⅛
Texaco Capital 13½ 89	200	† 106¼	106¾	+0¼
Toronto Dom Bk 12½ 88	100	† 101¾	102¼	−0¼

	Issued	Bid	Offer	Change on day	Change on week	Yield
Walt Disney Pro 12½ 87	150	103⅛	103⅝	+0⅛	−1¼	10.76
Weyerhaeuser 12¼ 87	150	102	102½	+0⅛	0	11.08
World Bank 12¼ 94	150	102¼	102¾	+0¼	−0¾	11.77
World Bank 12⅞ 94	200	105⅛	105⅝	+0⅛	−0½	11.86

Average price change On day +0¼ on week −0⅜

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev Bank 8 94	200	* 101¾	102¼	+0⅛	0	7.68
Austria Republic 7⅝ 94	200	* 100⅞	101⅜	0	+0⅛	7.44
Baxter Travenol 7¼ 94	200	* 99¾	100¼	+0⅞	+0½	7.24
Credit National 8½ 94	200	* 102½	103	−0⅛	0	7.68
Degussa Int Fin 7½ 94	100	* 101	101½	+0⅜	+0¼	7.26
E.E.C. 8 92	200	* 102½	103	+0⅛	−0¼	7.46
Escom 8 92	150	* 100⅜	100⅞	+0¼	+0¼	7.90
Ferrovie Dello Stato 8 91	100	* 102⅜	102⅞	+0⅛	−0⅛	7.43
Finland Republic 7 92	200	* 97⅛	97⅝	0	−0¼	7.59
Gould Int Fin 7⅝ 91	100	* 100⅜	100⅞	−0¼	−0⅝	7.49
Ireland 8⅛ 92	150	* 101⅞	102⅜	−0⅛	+0⅛	7.72

* No information available-previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield to redemption of the mid-price: the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C. date = Date next coupon becomes effective. Spread = Margin above six-month offered rate (†† three month; § above mean rate) for U.S. dollars. C.cpn. = current coupon. Co. yld = current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv. price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

OVER-THE-COUNTER

Continued from Page 42

Stock		Sales (Hnds)	High	Low	Last	Chng
Gradco		70	8	7¾	8	
Grantre		355	8¼	7⅜	7⅝	−½
Graphl		33	13⅛	12⅞	13⅛	+¼
GrphMd		11	3⅜	3⅛	3⅜	
GrphSc		714	5	4¾	5	+¼
GtLkFd	.05e	207	12½	12⅜	12⅜	
GWFSB	.48r	54	21	20½	20½	−¼
GtSoFd		13	10⅜	10⅛	10⅜	+¼
GreenT		45	16¾	16	16½	−¼
GreyAd	3 40	17	188	183	188	+3
Groman		2	12¾	12¾	12¾	
GwthFd		48	5½	5⅛	5⅛	
Gtech		510	12⅜	11⅞	11⅞	−¼
GuarFn		1	6¾	6¾	6¾	
GuarC	.60	8	21⅛	21⅛	21⅛	+⅛

Stock		Sales (Hnds)	High	Low	Last	Chng
HrznAir	1.20	821	6	5¾	5¾	−¼
Horzind		18	3¾	3¾	3¾	−⅛
HwBNJ		37	22½	22⅜	22⅜	−¼
HwrdB	1 12a	9	22½	22½	22½	
HungTg		33	5¼	5	5⅛	−⅛
HuntJB	.05e	58	26¼	26¼	26¼	
HntgRs		17	10½	10	10	−½
HuntgB	1 48b	100	43½	42	42	−1¼
Hurco		15	4	4	4	−⅛
Hybritc		279	20½	20	20	−½

Stock		Sales (Hnds)	High	Low	Last	Chng
JLG		271	5¾	5	5½	+¼
JP Ind		39	17¾	17¼	17¼	−¼
Jackpot	t	54	6⅜	6⅜	6½	+⅛
JackLife		476	39½	38¾	39	−½
Jacbsn	.40	43	22¾	21½	21½	−1
JamWtr		5	17¼	17¼	17¼	+½
JeffrGp		3	18½	18½	18½	
JeffBsh	1.60	15	39¾	39¾	39¾	+¼
JeffNL s	.44	10	24⅜	24¼	24¼	−⅛
JetSmrt	.40a	21	17¾	17¼	17½	−¼

Stock		Sales (Hnds)	High	Low	Last	Chng
LinerCp		26	5	5	5	
LiqBox	.72	4	49	49	49	+1½
LindAir	1.60	5	24¼	24¼	24¼	−¼
LittlArt	.70	4	23	23	23	+1
LizCla s	.25	1545	38¼	38	38½	+½
LocalF	.07e	5	15½	15¼	15½	
LongF	1.28	43	23¾	23¾	23¾	+½
Lotus		2240	27¼	26½	27	
LaBrch		187	17¾	17¼	17½	+¼
Lynden		24	23¾	23¾	23¾	

Stock		Sales (Hnds)	High	Low	Last	Chng
MdABc	.56	48	20¼	20	20¼	−¼
MdPcA		220	3⅞	3⅝	3⅞	+⅛
MdStFd	40	41	20¾	20¾	20¾	
MidBk s	1.12	360	32¼	32⅛	32⅛	−⅛
MdwAir		993	5⅜	5⅛	5⅜	+¼
MillHr	.60	662	34½	33⅝	33⅝	−¾
Millicm		2	3½	3⅛	3½	
Millipr	.44	1521	37⅜	36¼	36⅞	+½
Miniscr		3568	3¾	3½	3½	
Minstnk		1865	7⅝	7⅛	7⅞	+¼
Minstar		324	24	23½	23⅞	−⅛

Stock		Sales (Hnds)	High	Low	Last	Chng
		7	15½	15½	15½	
	.01e	95	12⅞	12⅝	12¾	−⅛
		1	8¼	8¼	8¼	
		73	8¾	8⅝	8⅝	−⅛
		21	13¾	13¼	13¼	−¼
		67	6½	6¼	6⅜	−⅛
		67	20¼	19¾	20¼	
		28	7½	7¼	7½	
	.03	35	33¾	33¼	33¼	−¼
		62	45¼	45	45	
		13	2⅞	2⅞	2⅞	−⅛
		37	19	18¼	18½	+¼

Stock		Sales (Hnds)	High	Low	Last	Chng
PaulPt		32	10⅞	10½	10⅝	−¼
Paxton	.48	4	18	18	18	−¼
PayN		3	23¼	23¼	23¼	+⅛
Paychx		3	12	12	12	
Payco s		4	16½	16½	16½	−½
PeakHC		448	12⅞	12⅝	12⅝	+⅛
PearlH		154	22¾	22½	22½	−¼
PeerMl	.72	2	13¼	13¼	13¼	−¾
PegGld	.06t	271	8⅝	8⅜	8⅝	
PennVa	1.60a	151	44½	44	44½	
Penbcp	2	8	50	50	50	−⅛
PenaEn	2.20	151	33½	31	32½	+1½

Stock		Sales (Hnds)	High	Low	Last	Chng
ScanOp		70	9⅜	9⅛	9⅜	+⅜
ScanTr		39	12	12	12	
Scherer	.32	18	10½	10⅜	10⅜	−⅛
Scholas		4	16½	16½	16½	
SchlmA	.40	10	17¾	17¾	17¾	+¼
SciDyn		29	9	8¾	8¾	
SciInc s		20	5½	5¼	5½	−⅛
SciMic		67	4⅝	4½	4⅝	−⅛
SciSR		24	8¼	8¼	8¼	−¼
SciSySv		244	7	6½	7	+½
Scitex		431	15½	15¼	15¼	
ScripH	.80	2	39	39	39	+2

Stock		Sales (Hnds)	High	Low	Last	Chng
TrakAu		91	15½	15	15½	+½
Tranind	t	9	4⅛	4⅛	4⅛	+¼
TranLa	1.24	x10	19¾	19¾	19¾	
Trnsnt		72	2⅝	2½	2½	−¼
TriadSy		69	7¾	7⅝	7⅝	
TriMic		37	5¾	5½	5½	
TribCm		152	3½	3⅜	3½	
Trion	.10	43	8¾	8¼	8¾	−½
TrusJo	.40	8	26½	26½	26½	−¼
TBkGa	1	717	35	34⅝	35	+⅜
TrsNY s	1.20	25	28½	28	28½	+1½
TuckDr		47	6¼	6⅛	6¼	−⅛

CAPITAL MARKETS

Lloyds perpetual floater counts as primary capital

BY MAGGIE URRY IN LONDON

LLOYDS BANK scored the latest floating rate note first in the Eurobond market yesterday, launching the first perpetual issue to count as primary capital under the new Bank of England guidelines. The deal met strong demand and despite an increase from $400m to $600m continued to trade above par, closing bid at 100.10.

Investors would rank equally with preference shareholders if Lloyds Bank went into liquidation, but that eventuality was far from dealer's minds yesterday as they looked at the ¼ per cent margin over six month London interbank offered rate (Libor) and lapped up the issue. Fees on the deal total 95 basis points, of which 15 basis points goes to the sole lead manager Lloyds Bank International.

The new D-Mark floating rate notes continued to trade above par yesterday, although the continental European markets were mainly closed for the May Day holiday.

Fixed rate Eurodollar bonds perked up yesterday with prices gaining around ⅜ point following the improvement in the New York bond market. Lead managers were able to shift some of the unsold stocks of new paper, despite the absence of continental buyers.

The $40m convertible bond issue Lonrho improved yesterday after lead manager Nomura International set the final terms at a 6¼ per cent coupon, up from the 6 per cent indication. However, the issue was still trading outside the 2½ per cent fees.

Expected in the next few days is a $50m 10-year floating rate note for Korea First Bank to be led by Nomura International.

Credit Suisse First Boston is due to lead its first European Currency Unit issue today, for New Zealand.

Denmark announced its Ecu 100m five-year issue to be launched on the Danish domestic bond market. The Danish National Bank will arrange the issue and the coupon is expected to be 9¼ per cent.

Indices

NEW YORK-DOW JONES

	May 1	April 30	April 29	April 26	April 25	April 24	1985 High	1985 Low	Since Compilation High	Since Compilation Low
Industrials	1,242.85	1,258.06	1,258.72	1,275.18	1,284.78	1278.49	1298.36 (1/3)	1184.96 (4/1)	1299.36 (1/3/85)	41.22 (2/7/32)
Transport	571.68	573.74	578.39	588.25	582.89	588.25	635.30 (1/3)	553.83 (4/1)	635.38 (1/3/85)	12.32 (8/7/32)
Utilities	153 01	153 82	154.13	154 75	154.85	155.26	158.34 (15/4)	146.54 (4/1)	163.72 (20/4/69)	10.5 (28/4/42)
Trading vol		111.8m	88.8m	86.6m	108.9m	98.6m	–	–	–	–

	Apr 18	Apr 12	Mar 29	Year Ago (Approx)
Ind Div Yield %	4.82	4.82	4.82	4.77

STANDARD AND POORS

	May 1	April 30	April 29	April 26	April 25	April 24	1985 High	1985 Low	Since Compilation High	Since Compilation Low
Industrials	198.32	199.94	200.74	202.35	203.87	202.67	205.15 (1/3)	182.24 (4/1)	205.15 (1/3/85)	3.62 (30/6/32)
Composite	178.37	179.83	180.63	182.18	183.43	182.26	183.35 (13/2)	163.68 (4/1)	183.35 (13/2/85)	4.40 (1/6/32)

	April 17	April 10	March 27	Year Ago (Approx)
Ind div yield %	3.85	3.89	3.88	4.00
Ind. P/E Ratio	11.27	11.13	11.14	12.10
Long Gov Bond Yield	11.28	11.53	11.77	12.66

N.Y.S.E ALL COMMON

May 1	April 30	April 29	April 26	1985 High	1985 Low
103.36	104.12	104.63	105.52	106.86 (13/2)	94.60 (4/1)

RISES AND FALLS

	April 30	April 29	April 26
Issues traded	1,973	1,979	1,936
Rises	538	423	623
Falls	964	1,081	829
Unchanged	471	475	484

NEW YORK ACTIVE STOCKS

Tuesday	Stocks traded	Closing price	Change on day
City Invest.	4,261,700	37⅝	−⅝
Atl. Richfeld	2,915,600	59X	+⅞
TWA	2,413,300	15⅞	+1⅛
Mobil	2,286,800	30¾	−1⅛
Fed. Nat. Mort.	1,705,000	15¾	−1⅛
Unocal	1,583,600	46⅞	+⅝
Texaco	1,572,800	40⅝	+⅝
AT & T	1,387,600	21	+⅛
Ford Motor	1,371,100	40⅞	−½
Gen. Motors	1,367,200	67⅞	+⅞

TORONTO

	May 1	April 30	April 29	April 26	1985 High	1985 Low
Metals & Minls	1,990.6	2,010.6	2,029.1	2,036.9	2180.7 (13/2)	1896.0 (4/1)
Composite	2,626.3	2,635.3	2,650.9	2,657.7	2662.5 (25/4)	2348.5 (3/1)
MONTREAL Portfolio	129.32	130.08	130.82	131.12	132.77 (5/3)	117.88 (4/1)

* Indicates pre-close figure

	May 1	Apr. 30	Apr. 29	Apr. 26	1985 High	1985 Low
AUSTRALIA All ord. (1/1/80)	873.9	875.2	868.7	874.0	875.2 (30/4)	715.5 (7/1)
Metals & Minls. (1/1/80)	569.1	568.2	561.6	575.7	576.2 (24/4)	382.5 (7/1)
AUSTRIA Credit Aktien (2/1/62)	(c)	81.28	79.73	79.05	81.28 (30/4)	58.21 (24/1)
BELGIUM Brussels SE (1/1/80)	(c)	2219.54	2,223.85	2228.87	2510.05 (13/5)	2090.7 (18/1)
DENMARK Copenhagen SE (3/1/83)	187.84	186.79	187.7	192.15	192.70 (24/4)	158.44 (8/1)
FRANCE CAC General (31/12/82)	(c)	215.4	215.4	215.5	220.0 (12/4)	180.9 (3/1)
Ind Tendance (28/12/84)	(c)	117.4	117.5	117.5	120.6 (12/4)	100.1 (3/1)
GERMANY FAZ Aktien (31/12/58)	(c)	420.96	422.51	426.05	426.47 (25/4)	382.39 (3/1)
Commerzbank (1/12/53)	(c)	1226.1	1,250.1	1255.7	1255.7 (26/4)	1111.8 (3/1)
HONG KONG Hang Seng Bank (31/7/64)	1516.75	1520.56	1,497.37	1506.48	1521.30 (16/4)	1220.74 (2/1)
ITALY Banca Comm Ital. (1972)	(c)	281.51	279.38	278.78	288.71 (20/2)	228.56 (2/1)
JAPAN** Nikkei-Dow (16/5/49)	12456.6	12426.29	(c)	12405.16	12683.3 (3/4)	11545.2 (5/1)
Tokyo SE New (4/1/68)	969.72	967.28	(c)	967.88	1006.98 (22/3)	916.95 (4/1)
NETHERLANDS ANP-CBS General (1970)	211.0	(c)	210.5	211.0	211.0 (26/4)	186.6 (3/1)
ANP-CBS Indust (1970)	171.2	(c)	169.3	169.4	171.2 (1/5)	147.9 (3/1)
NORWAY Oslo SE (4/1/83)	(c)	325.69	328.06	324.26	345.6 (8/2)	288.18 (2/1)
SINGAPORE Straits Times (1966)	(c)	791.81	795.55	798.66	852.85 (7/3)	784.58 (16/1)
SOUTH AFRICA JSE Gold (28/9/78)	–	1066.6	1067.4	–	1140.9 (16/4)	888.1 (11/2)
JSE Indust (28/9/78)	–	896.2	896.4	–	896.7 (22/4)	767.1 (7/3)
SPAIN Madrid SE (28/12/84)	(c)	109.02	108.72	109.73	117.41 (4/2)	101.48 (2/1)
SWEDEN Jacobson & P (1/1/58)	(c)	1441.06	1,445.05	1449.45	1486.99 (11/2)	1361.60 (2/1)
SWITZERLAND SwissBank Cpn. (31/12/58)	(c)	424.2	424.5	423.9	450.9 (19/3)	386.7 (3/1)
WORLD Capital Intl. (1/1/70)	–	202.2	202.3	202.8	204.6 (15/4)	184.8 (4/1)

**Saturday April 27. Japan Nikkei-Dow 12,465.92. TSE 969.88.

Base value of all indices are 100 except JSE Gold—255.7, JSE Industrial—264.3, and Australia, All Ordinary and Metals—500, NYSE All Common—50; Standard and Poors—10; and Toronto Composite and Metals—1,000. Toronto indices based 1975 and Montreal Portfolio 4/1/83. † Excluding bonds. ‡ 400 Industrials plus 40 Utilities, 40 Financials and 20 Transport. c Closed. u Unavailable.